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## The Hunt for Clues To Israel's Future Starts at the Mall

### Growth of Consumerism Reveals Changing Nation

By Jackson Diehl

Jerusalem — Anyone who walks into the posh shopping mall in the Tel Aviv area of Jerusalem these days is likely to be accosted by the swarm of consumers.

To understand where Israel is headed in the coming years, it does little good to watch the election campaign. It is more revealing to look at the mall.

Filling one corner is the Superfarm drugstore, packed almost exclusively with imported American and European goods, ranging from diapers and dog biscuits to pharmaceuticals and perfumes.

Down the corridor, an electronics store is doing a brisk trade in wide-screen color televisions and videocassette recorders. Upstairs are a bowling alley, a pizza parlor and a pool hall, and jamming the lot and streets outside are late-model Japanese and German cars.

The scene from a mall tells a story of dramatic and far-reaching changes in Israel over the last 10 years — developments that have fundamentally altered the character and self-image of the country and have been almost invisible because of the Israel's long-standing political and diplomatic stalemate.

The election on June 23 seems most likely to perpetuate the image of an Israel gridlocked between right and left and ruled by men like Prime Minister Yitzhak Shamir, 76, and the Labor Party leader, Yitzhak Rabin, 70, who have monopolized power for decades.

Similarly, the Arab-Israeli conflict grinds on in the occupied territories and southern Lebanon while another U.S.-brokered peace process appears nowhere near achieving a solution.

Even as Israel's impasse begins to seem unending, however, the economic and social forces that will explode it — and propel the country into a new era — have been silently gathering strength.

In the 25 years since the 1967 war with the Arabs, Israel has changed from a spartan, socialist, isolated and highly militarized country into a modern consumer society suffused by Western secular culture. In the last decade, in particular, there has been a burst of affluence and consumption among individual Israelis — at the direct expense of the military as well as of Zionist institutions.

The combination of economic change and the end of the Cold War has given Israel a place in the world it never enjoyed before. In the last half of the 1980s, its trade with other countries nearly doubled. At the same time, 35 countries, including Russia and China, have recognized Israel diplomatically in the last four years. Travel abroad by Israelis has risen 66 percent since 1985.

A tidal wave of pluralism and individual choice has overtaken Israel's once-insular communal culture. In 1967, there was no television in the country. Today, almost all Israeli homes have television sets and 60 percent have access to 40 channels of cable offering news and programming from across Europe, the United States and the Middle East.

About 400,000 immigrants from the former Soviet Union now make up nearly 10 percent of the Jewish population, giving impetus to the drift toward secularization, economic modernization and

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The family of a Croatian soldier killed in Dubrovnik buried him on Monday morning. Under attack, the city has been in a state of alarm eight days.

## Bosnia Urges Bush to Send Air Strikes Against Serbs

### UN Consults Urgently On Authorizing Troops To Take Over Airport

By John F. Burns

SARAJEVO, Bosnia-Herzegovina — After 72 hours of relentless bombardment that turned swaths of Sarajevo into smoking ruins, the president of this newly independent country appealed Monday to President George Bush for a U.S. air attack on Serbian gun positions in hills above the city.

"We need urgent military help; force can be countered only by force," said President Alija Izetbegovic, reading from a statement in the Presidential Building in central Sarajevo.

The offices had been struck earlier in the afternoon by two of the high-explosive shells that have rained on the city during daylight hours.

The shelling, beginning after a brief lull in the predawn hours, was the heaviest yet in two months of fighting in this ancient Balkan city.

[At the United Nations in New York, the Security Council, responding to an appeal by Secretary-General Boutros Boutros Ghali, consulted urgently on sending new troops to the region to take control of the Sarajevo airport so food and medicine could be flown in.]

Mr. Izetbegovic, who has appealed before for outside military assistance against the Serbian forces that have seized wide areas of Bosnia-Herzegovina, said that his request for intervention was directed first at the United States.

Asked what form of intervention he would favor, he replied: "American bombing of the gun positions. Aerial bombing would be the right solution. Let them bomb those who are bombing us. That would probably be enough."

Mr. Izetbegovic was reached by telephone during an emergency meeting with his officials. A Muslim Slav, he heads a government that declared Bosnia-Herzegovina independent from Yugoslavia in March, enraging Serbian nationalist politicians in the republic who favored a continuing link to the Serbian-dominated rump of Yugoslavia.

The emergency meeting had been called to consider ways of surviving the increasingly menacing siege by the Serbian forces, which had left a population of as many as 300,000 people trapped in basements and sandbagged bunkers for days, and sometimes weeks, on end

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## U.S. Said to Focus on Wrong Russian Weapons

By Thomas L. Friedman

WASHINGTON — In the last few months, the United States and Russia have quietly narrowed their differences over how to make additional cuts in nuclear arsenals, well beyond those agreed to in the Strategic Arms Reduction Treaty.

But an inability to close the remaining gap has led critics of the Bush administration to say that the United States is missing an opportunity to obtain radical reductions in the Russian arsenal because the Bush administration is too wedded to Cold War strategic theories.

The U.S. negotiating position has been to put a higher priority on getting rid of Russia's remaining long-range nuclear missiles, which would be most deadly in an attack against the United States, rather than on striving to get rid of thousands more warheads generally.

In recent weeks, Foreign Minister Andrei V. Koryev, who met on the issue Monday with Secretary of State James A. Baker 3d, has signaled a willingness to cut the roughly 8,500 warheads allowed by the Strategic Arms Reduction Treaty to about 4,700 warheads — as Washington has proposed.

But the deal is being held up in large part because the United States has insisted that those cuts include all of Russia's most powerful SS-18 multiple-warhead intercontinental ballistic missiles, a demand the Russian military has been resisting.

At the core of the issue is a simple question: what is more important? Locking in Moscow to an agreement to get rid of thousands of additional warheads? Or risking no agreement by insisting that Russia dismantle the missiles most likely to be used in a first strike against the United States?

Critics of U.S. policy say, "Lock Moscow in now."

The Bush administration is concerned that, even with the Cold War over, the possibility of a nuclear attack cannot be ruled out. So it has been holding out for a more strategically secure and advantageous deal.

"The administration continues to see only a few trees instead of the forest," Senator Joseph R. Biden Jr., Democrat of Delaware, said in a statement. Mr. Biden, chairman of the Senate subcommittee on European affairs, which oversees arms-control negotiations with Russia, continued:

"We have the opportunity to achieve drastically deep cuts in the Russian arsenal if we are willing to make cuts ourselves. Yet the administration is focused

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## Japan Upper House Endorses Troop Bill

TOKYO — After the Socialist opposition ended four days of delaying tactics, exhausted legislators in the upper house of parliament on Tuesday approved a bill to authorize the dispatch of Japanese ground troops overseas for the first time since World War II. The vote was 137 to 102.

The bill now returns to the lower house for what seemed all but certain quick passage into law, thanks to the governing Liberal Democratic Party's solid majority.

To get the measure past the Social Democrats and through the opposition-controlled upper house, Liberal Democrats had to compromise with two centrist parties and revise it.

Under the new version, up to 2,000 soldiers could join United Nations peacekeeping units involved in logistics, medicine distribution and other noncombat duties. More dangerous operations require the approval of the Diet, or parliament, and could not be undertaken without the passage of a separate law.

But the changes do not satisfy the Social Democrats or the Communists, who cite a constitutional ban on the use of force in settling international disputes. Both parties also claim the maintaining of a military force violates the constitution, and most scholars agree with them.

About 700 people marched, chanted and sang late into the night near the capital to protest the bill. Opinion polls showed most Japanese opposed to sending their soldiers into combat zones.

The legislation had languished in a plenary session of the upper chamber since early Friday, when it was rammed through committee by Liberal Democrats amid a mêlée.

The Social Democrats, Japan's largest opposition group, blocked a vote on the bill through four days of stalling motions and other procedural delays. The Liberal Democrats complained of the deteriorating health of some of the legislators. At least three Socialist

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Legislators in the upper house of the Diet, during the home stretch of marathon debates on the bill to authorize the use of troops abroad.

## Adagio to the Dead As the City Burns

### Sarajevans Grasp at Rituals

SARAJEVO, Bosnia-Herzegovina — As the 155mm howitzer shells whistled down on this crumbling city, exploding thunderously into buildings all around, a disheveled, stubble-bearded man in formal evening attire unfolded a plastic chair in the middle of Vase Miskina Street. He lifted his cello from its case and began playing Albinoni's Adagio.

There were only two people to hear him, and both fled, dodging from doorway to doorway, before the performance ended.

Each day at 4 P.M., the cellist, Vedran Smailovic, walks to the same spot on the pedestrian mall for a concert in honor of Sarajevo's dead.

The spot he has chosen is outside the bakery where several high-explosive rounds struck a bread line May 27, killing 22 people and wounding more than 100. If he holds to his plan, there will be 22 performances before his gesture has run its course.

Two months into a civil war that turns more murderous by the day, Sarajevo, the capital of Bosnia-Herzegovina, is a skeleton of the thriving, accomplished city it was. It is a wasteland of blasted mosques, churches and museums, of fire-gutted office towers, hotels and sports stadiums and of hospitals, music schools and libraries punctured by rockets, mortars and artillery shells.

Parks have been pressed into service as emergency cemeteries, and the lines of graves march ever farther up the hillsides toward the gun emplacements.

What is happening here, in a city that escaped two World Wars with only minor damage, is hard to grasp for many of those enduring it.

It is a disaster of such magnitude, and of such seeming disconnectedness from any achievable military or political goals, that those who take shelter for days in basement bunkers, emerging briefly into daylight for fresh supplies of bread and water, exhaust themselves trying to make sense of it.

Many, like Mr. Smailovic, who played the cello for the Sarajevo Opera, reach for an anchor amid the chaos by doing something, however small, that carries them back to the stable, reasoned life they led before.

Mr. Smailovic, 36, spoke over the blasts of the shells that have poured down on the city for the last three days. He could have been speaking for all the survivors trapped here, in defiance of the Serbian nationalists' insistence that only the ethnic partitioning of the city, and of the republic, can bring them security.

"My mother is a Muslim and my father is a Muslim," Mr. Smailovic said, "but I don't care. I am a Sarajevan. I am a cosmopolitan. I am a pacifist."

He added: "I am nothing special, I am a musician. I am part of the town. Like everyone else, I do what I can."

In Sarajevo, as in many cities, towns and villages across this former Yugoslav republic, Serbs, Muslims, and Croats, the third major ethnic group in the population of 4.4 million, have lived for centuries side by side, so much so that their cultures, families, and lifestyles have grown into each other — creating a society of striking depth and variety.

They have done so in a landscape that is one of the most beautiful in

See SARAJEVO, Page 5

### Kiosk

#### Gates, Admitting Bluff, Will Retire

LOS ANGELES (AP) — Police Chief Daryl F. Gates said Monday that he would retire at the end of the month as planned and not carry out his threat to prolong his tenure because of a dispute over the appointment of commanders. "I admit it was a threat, a bluff, but it was the only threat a lame duck has," he said.

The move came a day after the police commission moved to hire a lawyer for help in getting Mr. Gates to leave. The chief has been pressed to retire since the beating by white policemen of a black motorist, Rodney G. King, was videotaped and broadcast 15 months ago. The acquittal of the officers April 29 touched off rioting in Los Angeles, the worst spate of rioting in decades in the United States.

Mr. Gates threatened Friday to put off his June 30 retirement if the city failed to extend the eligibility of eight officers up for promotion. His two-year-old list of candidates expired Sunday. Mayor Tom Bradley condemned the threat and said the chief "cannot hold this city hostage any longer."

#### General News

The PLO security chief was slain in Paris. Page 5.

#### Business/Finance

General Dynamics plans to buy back almost one-third of its own stock. Page 11.

#### Crossword

Page 6.

Dow Close	The Dollar
Up 5.45	DM 1.5685
3,404.14	Yen 127.28
	FF 5.3455

### Bush on Rio Pact: No Apology

By Ann Devroy

WASHINGTON — President George Bush, ending a meeting with Prime Minister John Major of Britain, said he would not budge on his refusal to join the leaders of most other nations in signing a biological diversity treaty at the Earth Summit this week. "I have nothing to be apologetic for," he added.

Mr. Major said that while Britain had some problems with the financial conditions imposed by the treaty, he believed that most concerns could be solved. The treaty seeks to preserve the diversity of plant and animal life worldwide while advancing economic development.

The United States, however, is rejecting the treaty, primarily because the administration wants to protect the U.S. biotechnology industry, Washington says that the industry would be hurt by some technology transfer requirements. The administration is also unwilling to make "open-ended" financial commitments to help poorer nations protect their animal and plant life.

Mr. Bush and Mr. Major made their comments about the Earth Summit, which is being held in Rio de Janeiro, after two days of talks at the Camp David presidential retreat in Maryland.

[After a weekend recess, delegates from all United Nations member states resumed sessions on Monday to discuss who will pay to protect resources and who will decide how the money is spent. The

See BUSH, Page 2

## Hold Those Tigers! Tips, Cops and Videotape Help Princeton Capture Streakers

By Michael Winerp

PRINCETON, New Jersey — The judge stared coldly at the defendants and asked if they understood the charges they were about to plead guilty to.

"Derek Austin?"

"I don't know if I was disorderly, judge," said the Princeton University sophomore. "But I was naked."

One by one, the students admitted to nakedness.

Municipal Court Judge Samuel Sachs was peeved. "You absolutely went over the edge!" he roared. "You caused Princeton Borough untold man-hours in enforcement!"

A quarter of the 32-member police force was involved in the Nude Olympics undercover investigation.

Each year at the first snow, come midnight, sophomores run naked through the streets. They usually streak through a restaurant, then home. It's tradition.

People used to think it was funny in a sophomore way. Not Judge Sachs. "There are a lot of things we used to do that are now unacceptable," he said.

Years ago, said Police Chief Thomas Michaud, it was a dozen naked rugby players — "no big deal." But it grew. There were a few complaints from restaurants, he said. One year they ran through LaFiere's. "A very upscale restaurant," said the chief.

"Word filtered back, this year was going to be a big one," he said. He wrote the sophomore class warning that if they were going to be naked, stay on campus. But you know youth.

Come the snow, Feb. 13, a third of the class, 400, ran naked, 100 of them into town. Police stakeouts got it all on videotape.

For two months, Detective Ronald Wohlschlegel built the case. On Feb. 28, he transported the video to the state police forensic unit and had slides made. "Pictures clearly depict numerous people running in the nude," he noted.

Using yearbooks, investigators identified 31. From April 8 to April 16 Detective Wohlschlegel confronted each with the photos. It was like shooting fish in a barrel. All confessed.

Suspect 16 "admitted that it was himself with the goatee." Suspect 22 "admitted that he was wearing a skunk hat that night." Suspect 27 "admitted he had written on his chest, 'Italians Do It Better.'"

Three wouldn't look at Detective Wohlschlegel's nude photos. The detective wrote: "James Muldowney 3d said that he is the type of person that never does anything wild. He then said that the one time that he does, he gets caught. Mr. Muldowney was too embarrassed to see the nude photo of himself. I showed just the face portion of the picture. He admitted it."

On April 23, police issued the news release. Students were charged with lewdness and faced six months in jail. Police could not find a resident or proprietor to file a complaint. The complainant was Detective Wohlschlegel.

When the defense lawyer, Alan Medvin, reviewed the video, he was struck by how much more footage undercover Officers Ralph Terracciano and Vincent DeMartino had devoted to female Olympians.

A window at J.B. Winber's had been broken by students crowding in, but the sophomore class paid for it.

"I don't have any problems with the Nude

See STREAK, Page 2

# Israeli Judge Questions Prosecutor's Evidence on Demjanjuk

## WORLD BRIEFS

By Clyde Haberman  
New York Times Service

**JERUSALEM** — The chief prosecutor completed his arguments on Monday in the "Ivan the Terrible" case, insisting to Israel's Supreme Court that it should have no doubts that John Demjanjuk had been a "direct servant of Satan" as a guard at more than one Nazi death camp in Poland.

they multiplied on Friday when a federal appeals court in Cincinnati ordered a reopening of the case involving Mr. Demjanjuk's extradition to Israel in 1986. The U.S. Court of Appeals for the 6th Circuit said it wanted to hear more evidence in the matter because of a possibility that the extradition order had been based on "erroneous information."

war, never a death camp guard. At the start of the session on Monday, Chief Justice Meir Shamgar said the Cincinnati court action would be taken under consideration. He did not comment on an opening statement from the prosecutor, Michael Shaked, that the Ohio decision should have no effect on what happens here.

But the defense lawyer, Yoram Sheftel, said in interviews that the only issue at stake in the extradition was whether Mr. Demjanjuk had been Ivan the Terrible, not whether he may have been at other Nazi camps as well.

### Panel Assails Press Over Diana Affair

**LONDON (NYT)** — An independent watchdog committee set up last year in the hope of discouraging excesses of the British press said Monday that "prurient reporting" on the marriage of Prince Charles and Diana, Princess of Wales, this weekend had reached a new low.

## U.S. Is Said to Ask Allies To Back It in Rio Feud

**RIO DE JANEIRO** — The United States, already isolated in its opposition to the biological diversity treaty to protect plants and wildlife, is pressing its European allies not to break with its position on global warming, officials at the Earth Summit said Monday.

go beyond that," said Austria's environment minister, Ruth Feldgrill-Zankel. She said U.S. delegates "were disturbed about this initiative."



The Democratic presidential candidate Edmund G. (Jerry) Brown and Bianca Jagger, former wife of the rock star Mick Jagger, on Copacabana Beach in Rio de Janeiro during a World Walking Day rally and march that were attended by thousands of demonstrators.

### Eilat Attacker Claims Tie to El Fatah

**JERUSALEM (Reuters)** — An Arab who took part in a recent attack on the Israeli resort of Eilat said Monday that he was a member of El Fatah, the largest guerrilla group of the Palestine Liberation Organization. The group is headed by Yasser Arafat, the PLO chairman.

### Another Tokyo Aide Tied to Scandal

**TOKYO (AP)** — A cabinet minister closely associated with Prime Minister Kiichi Miyazawa allegedly received 10 million yen (\$79,000) in political donations from a scandal-tainted company, news reports said Monday.

### CIA Pessimistic on Russian Economy

**WASHINGTON (AP)** — The CIA predicted Monday that the pace of economic change in Russia and the other former Soviet states would fall victim to a steep increase in consumer prices and unemployment.

### BUSH: He Stands Firm on Refusal

**(Continued from page 1)**  
Associated Press reported from Rio.

Some reports have suggested that the document was disclosed by an aide to Vice President Dan Quayle who is opposed to compromise at the Rio meeting.

### ARSENAL: Critics Say U.S. Presses Moscow to Cut Wrong Nuclear Arms

**(Continued from page 1)**  
solely on weapons systems where United States cuts would be minimal.

each. He signaled a willingness to accept something "within the ballpark" of the U.S. proposal of a reduction to 4,700 warheads each, and to make the cutback by the year 2000, one American official said.

But Mr. Baker also said he was "not optimistic" that Congress would approve a Russian aid package before the Yeltsin trip.

Up to now, the Bush administration has been reluctant to bend on its demand that Russia relinquish all MIRV multiple-warhead ICBMs.

### For the Record

Florida's longest-serving member of Congress, Representative Charles E. Bennett, 81, will not seek re-election. He cited his age and his wife's illness. The Democrat was first elected to the House in 1948.

### Correction

An article Monday on the results of the weekend elections in Czechoslovakia misidentified the group that got 6 percent of the vote in the Czech republic. It was an extreme-right group, the Republican Party of Czechoslovakia.

### TRAVEL UPDATE

Drivers and maintenance workers in New York for five private bus companies went on strike Monday, forcing about 225,000 people in Queens and Brooklyn to find other rides. The Transport Workers Union and management agreed on raises but remained at odds over pensions and health care, said a union negotiator.

### The Weather

Forecast for Wednesday through Friday. Includes maps of North America, Europe, and Asia with weather symbols and a table of weather data for various regions.

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### JAPAN: Troop Bill Gains

**(Continued from page 1)**  
lawmakers fell ill during marathon sessions.

possible their opposition to the bill. Mr. Miyazawa and his coalition partners wanted to avoid any sense of railroaded a measure that already was highly sensitive. Thus the filibuster.

### STREAK: Hold Those Tigers

**(Continued from page 1)**  
Olympics," said the manager, Tod Barber. "Our bar crowd loved it."

### Sudan Tries Hybrid Economy

**By Chris Hedges**  
**New York Times Service**  
**KHARTOUM, Sudan** — Acting as if it had a copy of the Koran in one hand and the economic theories of Milton Friedman in the other, the Sudanese government is trying to wed unbridled capitalism to militant Islam.

By the time the Islamic fundamentalists took power in a military coup in 1989, the railroads, which two decades before had carried 3 million tons each year, were able to carry only 300,000 tons. Irrigation canals, which were never dredged, did not channel water to the fields, the phone system rarely worked, and power blackouts lasted hours.

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Advertisement for Margaretta Fashion En with a small image of a woman's face.

Large vertical advertisement on the right edge of the page, partially cut off, featuring the word "Texans" and other text.

# Texans Await a No-Holds-Barred Brawl When Bush Meets Perot at the K.O. Corral

By Maureen Dowd

**HOUSTON** — Spurs Tavern, a local beer joint or ice house, as it is known, is a manly place. Its walls are covered with skulls and horns and hides of Texas steers. Confederate flags hang from the ceiling. The pool tables are crowded and the juke box spits out Merle Haggard songs. It is proper etiquette to leer at waitresses and drink beer from the bottle. The ladies' room is filled with pictures of John Wayne aiming rifles.

It seems a suitable place to ask what will happen when two Texans have a presidential shootout.

"Neither one of them seems like much of a Texan," said Floyd Karonka, the owner of a meat-copon. "Bush, he belongs up in Maryland or Maine or someplace. Perot, he talks like and acts like one, but the man came up so sudden. I guess I look at old President Johnson as more like a real Texan, the way he stung the old words around."

Plethora of old words are going to be slung around this state and this country before the Dallas computer puncher and the Kennebunkport cowboy are finished.

Henry Ross Perot is George Herbert Walker Bush's most hellacious nightmare — a real Texan with billions of dollars and a barbed-wire style, bragging that he will kick "the sissies" out of Washington and that he does not need to prove his manhood by going to war.

It is a strategic disaster for the White House — a rattlesnake bite in a year when Mr. Bush, 67, had hoped he could play the statesman. It is also a geographic disaster, with Mr. Perot leading in polls in the state where Mr. Bush claims his legal residence.

"The Bush people in Texas are just apologetic," said John C. White, the Washington lobbyist and former Democratic Party chief who hails from Texas. "We've got a billion-dollar Bobba here to deal with, and no one has figured out how to handle this. A lot of the time in Texas, we confuse money with intelligence. And that gets us in a lot of trouble."

Mark White, a former Democratic governor, says, "It's going to be these two guys putting knives in their teeth — no quarter, nuclear war. It will make the Alamo seem like a love-in."

It became clear last week that the campaign might have the elements of a Texas barroom brawl after Marilyn Quayle said that Mr. Perot was trying to buy the election, and Mr. Perot, 61, responded with a line straight out of "High Noon":

"I find it fascinating that grown men are hiding behind their women. If they have any-

thing to say, why don't they step out front and say it themselves? If they want to get in the ring, come on in the ring — we'll have it and get it on."

The Dallas tycoon is trying to paint himself as the true heir to Ronald Reagan's Western myth. As he likes to say: "It's time to take out the trash and clean out the stable."

An athletic 6-foot-2 (1.87 meters), the president has the lanky form of a Texan, compared with the bantam bearing of the 5-foot-6 Mr. Perot.

But when Mr. Bush started his career in Houston politics more than three decades ago, there was a lot of skepticism. He had Eastern money backing his West Texas oil business. He had campaign contributors who were members of the Council of Foreign Relations, which he once conceded that some voters thought of as "a One World tool of the Communist-Wall-

Street internationalist conspiracy." And even his biggest boosters warned him that he would never be mean enough for Texas politics.

Mr. Bush learned to hire others to do "the naughty stuff," as he once called it. But Sam Kinch Jr., editor of a political newsletter in Austin, said, "Perot knows how to go for the jugular himself."

There has been talk here among Republicans that "Jimmy" Baker, the tobacco-chewing, cowboy-boot-wearing secretary of state who started in Houston politics with Mr. Bush, should gallop in and save the ranch.

John B. Connolly, the former Democratic governor of Texas who urged Republicans to join the Nixon cabinet, said he had no doubt that Mr. Perot would win Texas.

"People feel like Bush paraded as a Texan, ran as a Texan, got elected as a Texan and as soon as he got in there, forsook Texas," he said.

"Banks are going under. There's no energy policy. We don't like the debt, the deficit, the scandals, the inaction, the parties or the rhetoric. We don't want any more half-fellow-well-met types from New England."

## Bush Acknowledges Perot

Mr. Bush was pressed at a news conference in Camp David, Maryland, to discuss the rising stature of Mr. Perot as an independent presidential candidate. The Washington Post reported, "His response was, 'I cannot tell a lie — his name came up' in discussions with John Major."

Mr. Bush said the British prime minister gave him "a lot of good advice. Just stay with it." The president later said he told Mr. Major: "I feel confident of winning. And I do better when I'm fighting. I do better when I'm coming from behind."



ON THE PATH OF COLUMBUS — A sailor from the Italian ship Amerigo Vespucci standing guard in front of the vessel in San Juan, Puerto Rico. The Vespucci will join a regatta of tall ships marking the 500th anniversary of Columbus's voyage to America.

## States Allowed to Ban Write-in Votes

**WASHINGTON** — States may ban write-in voting in elections, the Supreme Court ruled Monday.

The ruling would have no apparent effect on Ross Perot's possible run for the presidency.

The justices, voting 6-to-3, upheld a write-in ban in Hawaii. The court was told that Indiana, Nevada, Oklahoma and South Dakota also prohibit write-ins and that about half the states restrict write-in ballots to some degree.

Indiana has since changed its law to allow write-in candidates in general elections.

Mr. Perot's name was written in by supporters in several recent primaries, but the votes were not counted. Petitions are being signed to make him an independent candidate on general election ballots.

Justice Byron R. White, writing for the court, said Hawaii reasonably justified its ban in the interest of "avoiding the possibility of unrestrained factionalism" in its general elections.

He was joined by Chief Justice William H. Rehnquist and Justices Sandra Day O'Connor, Antonin Scalia, David H. Souter and Clarence Thomas.

Dissenting were Justices Anthony M. Kennedy, Harry A. Blackmun and John Paul Stevens.

In the dissenting opinion, Justice Kennedy said an outright ban such as Hawaii's prevents many voters in the state from "participating in elections in a meaningful manner."

Monday's ruling "is ironic at a time when the new democracies in foreign countries strive to emerge from an era of sham elections," he added.

In other action Monday, the Supreme Court agreed to decide if Saudi Arabia can be sued in federal court for allegedly torturing a hospital worker recruited from the United States.

Next term the court will review a ruling of the 11th U.S. Circuit Court of Appeals that the Saudi government can be sued for the 39-day detention and alleged torture of an American working at a Riyadh hospital.

The Foreign Sovereign Immunities Act of 1976 specifies that a foreign country can be sued only on rare occasions, such as on a commercial activity "carried on in the United States" and "based upon" an act taken in the United States.

A federal district court ruled that even if the alleged torture took place, Scott Nelson could not sue because his claims were not based upon commercial activities of Saudi Arabia carried on in the United States.

But the 11th U.S. Circuit Court of Appeals reversed, finding that because Mr. Nelson's detention resulted from his work at the King Faisal Specialist Hospital, and he was recruited for the job from Florida — the suit can go forward.

The Bush administration joined the Saudi government in asking the court to overturn the 11th Circuit ruling.

In 1983, Mr. Nelson responded to a printed advertisement for a job at the Riyadh hospital in recruiting conducted by the Hospital Corporation of America.

Less than four months later, Mr. Nelson reported safety hazards at the hospital to the Saudi government, as his job required. He claims that as a result, he was held for 39 days and tortured.

Also Monday, the Supreme Court postponed, at least until next fall, a decision on whether federal courts and federal law enforcement agents have the authority to deal with anti-abortion protesters who try to block women's access to abortion clinics.

At issue is what federal help is available to abortion clinic owners who sue for monetary damages or seek to stop blockades by anti-abortion protesters.

## For President, Economic Pipe Dream?

**Voters Unlikely to 'Reward' Him Even if Economy Recovers, Analysts Say**

**WASHINGTON** — President George Bush continues to pursue what might be called his "field of dreams" approach to the November election: Build an economic recovery, and the voters will come.

But poll-takers, economists and political strategists of both parties question his optimism about the recovery and its impact.

Stating that his "problems stem from this sluggish, anemic economy," Mr. Bush predicted at a recent news conference that voters would be "fair enough to give credit when there's recovery."

"Although there has been a modest improvement in the economy, that credit has not come his way, the president said, because voters have not yet realized that there is an improvement."

"When they do," he said, "I expect to see some change."

But several specialists say that the recovery may be too little, too late, to help Mr. Bush's re-election chances.

News like the announcement on Friday of a rise in the unemployment rate — while not a grim port-

ent in economic terms — takes a psychological toll that reinforces voters' pessimism, they say.

Although voters may be willing to punish the president and other incumbents for a failing economy, some experts say, it may not work in reverse.

The electorate, fed up with Washington and gloomy about long-term economic prospects, may be unwilling to reward Mr. Bush for any immediate improvement.

Some of the president's senior strategists acknowledge that, at this juncture, good economic news alone will not do it for Mr. Bush.

"It has never been a matter of faith that the economy alone would determine the president's re-election," said Robert M. Teeter, Mr. Bush's campaign chairman. "An improving economy, of course, makes it a whole lot easier, but that alone clearly is not enough."

While an economic recovery may not be a sufficient condition for Mr. Bush to win re-election, in the minds of many strategists it is a necessary one.

"Having this recovery in place — and in place in the minds of the

Republican base voters — is absolutely essential for George Bush to win," said a Republican consultant, Eddie Mahe.

With only five months to go before the election, Mr. Mahe said he was not sure it was enough time to persuade those voters that the economy has recovered.

He said that the latest unemployment figures, showing that joblessness had risen in May to 7.5 percent, the highest rate since 1984, were scary and "a real setback" psychologically.

A Republican poll-taker, Glen Bolger, said the figures suggest "to a lot of people that this is the never-ending recession."

Although economists may understand that the jobless rate is a lagging indicator, and that the increase was fueled by growth in the labor force rather than a reduction in jobs, he said:

"The unemployment rate going up is much more tangible to people than durable-goods orders. It's hard for people to get excited about the recovery if the average person doesn't see that their friend or neighbor or family member has a chance to get a job."

Moreover, he said, Mr. Bush, while penalized by voters for the downturn, may not reap any reward for the improving economic picture. "I'm not sure that the White House and President Bush can point to anything that they've done where, if people do perceive a recovery, that he'll get credit for," Mr. Bolger said.

Democratic poll-takers and economists said that Mr. Bush was making a fundamental miscalculation in thinking that voters were responding to short-term fluctuations in the business cycle.

"Americans don't view our economic problems as a bump in the road, as simply a short-term detour," said Geoffrey Garin, a Democratic poll-taker.

"People think the problems are fundamental, serious and long-term, and that's why they are so insistent on real change in government. And every time Bush says, 'Don't worry about it,' it's a signal to the voters that this is a person who doesn't understand what's happening to the country and who's not prepared to do the things that are needed to turn the country around."

## Margaretha Ley Dies, Fashion Entrepreneur

**MUNICH** — Margaretha Ley, 56, the leading designer and manager of Europe's second largest fashion outlet, Escada, died at her home here.

Mrs. Ley was born in Sweden and, along with her husband, Wolfgang, founded Escada from a turnover of 270 million Deutsche marks (\$168 million) in 1986 to 1.4 billion marks in 1991. She died Thursday from cancer.

Mrs. Ley, who co-founded Escada with her husband, named the company after a horse she once saw win at Munich's Riem racetrack. The company has fashion outlets around the world.

Philly Dunne, 64, a screenwriter who was a founder of the Screen Writers Guild and a vigorous opponent of the House Committee on Un-American Activities in the 1950s, died June 2 at his home in Malibu, California, of cancer. Mr. Dunne wrote or co-wrote 36 films and directed 10. His writing credits included "How Green Was My Valley," "Suez," and "The Count of Monte Cristo."

Kurt Erik Wehn, a Swedish composer, pianist and Swedish composer, died at his home on Majorca found dead after a horse she once saw win at Munich's Riem racetrack. The company has fashion outlets around the world.

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## EASTERN & CENTRAL EUROPEAN ENERGY

JUNE 24-26, 1992, VIENNA

**09.00 OPENING ADDRESS**  
Dr. Wolfgang Schussel, Minister of Economic Affairs, Austria

**09.45 ENERGY DEMAND — ITS CHANGING SIZE & STRUCTURE**  
Manfred Ungelmann, Managing Director, Thyssen Carbon, Düsseldorf  
G. Guiney Lussenden, Director, Oil Market Developments, IEA, Paris  
Prof. Alexander Arbatov, Vice Chairman, Committee for Productive Forces and Natural Resources, Academy of Sciences, Moscow

**11.00 Coffee**

**11.30 ENERGY SUPPLY — SECURITY & ECONOMICS**  
Kamshil Magalov, Head, Int. Assessments Dept., National Iranian Oil Co., Tehran  
George Langshaw, Managing Director, Global Gas, British Gas plc, London  
Prof. Lulin Radulescu, President, Committee of Energy, Bulgaria  
Victor S. Chernomyrdin, Chairman, Gazprom, Moscow

**13.00 Lunch**

**14.30 INFRASTRUCTURE — PIPELINES, TRANSPORTATION & STORAGE**  
Valery Chernyshev, President, Gaztransgaz, Moscow  
Alessandro Miao Broz, Advisor to the General Manager, INA Oil, Zagreb  
Gabriele Cagliari, President, Ente Nazionale Idrocarburi, Rome

**15.45 Tea**

The following special interest presentations will run simultaneously.

**16.15 INTERNATIONAL FINANCIAL METHODS & SOURCES**  
Randal B. Fischer, Senior Banker (Energy), Merchant Banking, European Bank for Reconstruction and Development, London  
J. Robert Magalov, V.P., European Energy Group, Morgan Stanley, London  
Alan Jones, Partner, Anglo-Saxon LP, Houston  
John Shalowsky, V.P., Eastern European Group, Morgan Stanley, London  
David J. Taylor, Head, Energy & Natural Resources, Moscow Narodny Bank, London

**OL-RELATED BARTER TRADE**  
Dr. Jozsef Totth, Managing Director, Mineralimpex, Budapest  
Konstantin Borovoy, CE, Russian Commodities & Raw Materials Exchange, Moscow  
Ella Matkivskita, Executive Vice President, Nestle Oy, Helsinki

**INVESTMENT OPPORTUNITIES IN THE ROMANIAN ENERGY SECTOR**  
Delegation headed by Dan Constantinescu, Minister of Industry, Romania

**18.00 Cocktails**

**JUNE 25**

**08.30 UPSTREAM — HAZARDS & ATTRACTIVE OF THE REGION**  
Richard Matzka, President, Chevron Overseas Petroleum Inc., San Francisco  
Yuri Lashin, President, Anglo-Saxon LP, Houston  
Yuri Shalowsky, Chairman, Regional Council, Tyumen  
Vladimir Anutanian, Chairman, Soyuzneftesport, Moscow

**10.00 KEYNOTE ADDRESS**  
Dr. Siegfried Meyerl, Chairman, OMV A.G., Vienna

**10.30 Coffee**

**11.00 DOWNSTREAM — REFINING & MARKETING**  
Anthony Wicars-Mills, Head of Central & East Europe Division, Shell International Petroleum Co. Ltd., London  
Pierre Vallaud, Director General, Total S.A., Paris

**Den Constantinescu, Minister of Industry, Romania**  
Vladimir Tarakanov, Chairman, Rosneftprodruk, Moscow

**12.15 KEYNOTE ADDRESS**  
Filip Dimitrov, Prime Minister, Bulgaria

**13.00 Lunch: Hosted by Phillips Energy**

**14.30 ENVIRONMENTAL IMPLICATIONS & CARBON TAXES**  
Chief M. A. Ouedraogo, Director, Research Division, Opec, Vienna  
Dr. Yuri Tcherbak, Minister of Ecology, Ukraine  
Dr. Klaus Kasper, Director, RWE Energie A.G., Germany

**15.45 Tea**

The following special interest presentations will run simultaneously.

**16.15 PRIVATIZATION & PRICE LIBERALIZATION IN THE ENERGY SECTOR**  
Vladimir Anutanian, Chairman, Soyuzneftesport, Moscow  
Adrian Severin, President, Romanian Privatization Agency, Bucharest  
Vladimir Dloshy, Federal Minister of Economy, CSFR  
Humphrey Harrison, Managing Director, Europe Energy Environment Ltd., London

**ELECTRICITY SUPPLY & DISTRIBUTION**  
Prof. Jan Popczyk, President, Polish Power Grid Co., Warsaw  
Ian Brown, Senior Advisor, EC Energy Efficiency Office, Budapest  
Boris Semenov, Deputy Director General, International Atomic Energy Agency, Vienna  
Victor Valde, Vice President, Rhenel, Bucharest

**INVESTMENT OPPORTUNITIES IN THE ALBANIAN ENERGY SECTOR**  
Delegation headed by Abdyli Xhaja, Minister of Natural Resources, Mining and Energy, Albania

**18.45 Evening Reception: Hosted by the Mayor of Vienna**

**JUNE 26**

**08.30 CORPORATE REORIENTATION & RESTRUCTURING**  
Anatoli Shvach, Chairman, Vysyngoltsentr, Moscow  
Dr. Jozsef Szabok, President, MCA, Rt. Budapest  
Lev Tcherlov, President, Rosneftgas, Moscow

**09.55 KEYNOTE ADDRESS**  
Kadyr K. Baljanov, Deputy Prime Minister, Kazakh Republic

**10.30 Coffee**

**10.55 FINANCE & INVESTMENT**  
Dr. Hannes Androsch, Chairman, Androsch International, Vienna  
Prof. Gyorgy Mityushin, Chairman, RSPR Central Bank, Moscow  
Dr. Heinz Klarm, First Deputy Governor, Austrian National Bank, Vienna  
Herman Mulder, Senior Vice President, ABN AMRO Bank, Amsterdam

**12.25 KEYNOTE ADDRESS**  
Edward Grushchewski, Deputy Minister of Fuel & Energy, Russia

**13.00 POLITICAL, LEGAL & JURISDICTIONAL DISPUTES**  
Prince Alfred von Liechtenstein, President, Akademie für Zukunftsfragen, Vienna

**13.25 Close of Conference**

**13.30 Informal Luncheon** \* Subject to confirmation

REGISTRATION FORM: To register for the conference, please complete the form below and send it to: Brenda Hagarty, International Herald Tribune, 83 Long Acre, London WC2E, England. Tel: (44 21) 836 4802. Fax: (44 21) 836 0717.

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# Ex-Communists Blossoming in Prague

By William E. Schmidt  
New York Times Service

PRAGUE — One after another, the candidates rose to speak at the campaign's final rally in Bratislava, standing behind a podium wrapped in bright red cloth as they exhorted voters to remember that only the Party of the Democratic Left of Slovakia would fight to defend the rights of workers.

The candidates were mostly former Communists, and while few in the audience knew it, the red fabric draped around the podium was also a Communist flag, carefully folded so that the emblem of the hammer and sickle was hidden.

Just as they have done with the flag, many of Czechoslovakia's former Communists have turned a new face to the country this spring. Now they call themselves leftists or social democrats, in the European socialist tradition, and hawk slogans like: "We're not against riches. We are just against poverty."

In the nationwide balloting that finished Saturday, just 30 months after the pro-Soviet Communist government surrendered to popular protests demanding free elections, leftists — including a smattering of Communists — won about 14 percent of the vote, making them the third-largest block in both the federal and republic parliaments.

It is about the same proportion of the vote that they won in the 1990 elections. But with Czechoslovakia's new parliament badly polarized, the leftists and former Communists in Slovakia, in particular, have emerged as key players in the current political free-for-all in Czechoslovakia.

It is a measure of their position that Vladimir Meciar, the Slovak populist who won 37 per-

cent of the vote in the eastern half of the country, met Monday with Peter Weiss, the young and energetic leader of the Party of the Democratic Left of Slovakia, to discuss forming a possible political coalition to balance the rightist parties that make up the largest block in the neighboring Czech republic.

If they join Mr. Meciar, the leftists would give him absolute control of the Slovak parliament, where he could push ahead his program for Slovakia.

But while the leftists side with Mr. Meciar, himself a former Communist, in wanting to put the brakes on the drive toward economic reform, and give Slovakia more control over its economy, they say they are opposed to breaking up Czechoslovakia.

The new federal parliament is now divided between rightist Czech advocates of rapid economic change and Mr. Meciar's Slovak separatists, who have vowed to press ahead with steps to either loosen or undo the 74-year-old Czechoslovak federation.

During the campaign, Mr. Meciar exploited longstanding resentment within Slovakia of the more prosperous Czech west, where unemployment is barely a third of what it is in the Slovak regions. Among other things, he wants to slow the transition to a Western-style market economy.

In addition, Mr. Meciar reaffirmed Monday that he was determined to dump Vaclav Havel, the former playwright and poet who is now Czechoslovakia's president, when he comes up for re-election next month.

Mr. Havel sent a message on Monday that he

would like to remain as president of Czechoslovakia, but only on his terms.

Michael Zamosky, Mr. Havel's spokesman, said that Mr. Havel's candidacy "is linked with the promotion of certain values."

"It makes sense only if two conditions are fulfilled," he added. "A common state should be preserved and the reforms begun in 1989 can continue."

The fate of Mr. Havel and, ultimately, the Czechoslovak federation will turn to a large degree on negotiations over a new government between Mr. Meciar and Vaclav Klaus, his powerful rightist rival in the Czech republic. Mr. Klaus's Civic Democratic Alliance has the most seats in parliament, but will be unable to govern if Mr. Meciar chooses to block him.

The two men were to meet Tuesday.

In looking for allies, Mr. Meciar met on Monday with Jozef Prokes, the leader of the smaller Slovak National Party, which is staunchly in favor of a separate state. In his campaign posters, Mr. Prokes, who is far to the right of both Mr. Weiss and Mr. Meciar, showed a photograph of his himself with Ronald Reagan.

Mr. Weiss, 42, represents the new and kinder face of post-Soviet communism. Exit polls conducted by INFAS, the German polling group, suggest that he attracted a large number of young and well-educated voters in Slovakia.

"There is a new attitude toward us this election," said Milan Ptacnik, a former Communist and a leftist member of the Slovak parliament. "In the elections two years ago, people tore down our posters. Now the anger is directed more at the ruling government in Prague."



**BORDER DUTY** — A soldier in the Azerbaijani forces on alert Monday along the frontier of Nagorno-Karabakh, the Armenian enclave. The conflict will be a major issue for the victor in elections Sunday for president of Azerbaijan. Preliminary reports indicated that the winner was Abulfaz Elchibey, a historian who favors a secular state, like Turkey's, not an Islamic rule like Iran's.

# A Power Struggle In Portugal Nears Its Critical Stage

By Alan Riding  
New York Times Service

LISBON — After three electoral victories and seven years in office, Prime Minister Anibal Cavaco Silva evidently finds it irritating to be far less well known abroad than Portugal's president, Mario Soares, whose job is meant to be purely ceremonial.

But it is also apparent that Mr. Soares, who first became known in the 1960s as an opponent of Portugal's dictatorship and who himself served as prime minister after democracy was restored, is reluctant to end his political career doing nothing more than cutting ribbons.

The result is that a new power struggle between this country's two most prominent public figures is taking on the dimension of a constitutional crisis, with Mr. Soares' determination to yield political influence running up against Mr. Cavaco Silva's insistence that he has no authority to do so.

The latest test of strength was provoked by the president's decision late in May to veto a government decree drastically reducing the size of Portugal's armed forces. Mr. Cavaco Silva responded by presenting an identical version of the law for parliamentary approval.

Contradicting government policy, Mr. Soares recently proposed that Portuguese troops take part in a so-called European corps being promoted by France and Germany, and he called for a referendum on a controversial treaty on European union.

Furthermore, the president never loses a chance to pay official visits to Western Europe and Latin America, where he has old political ties. He attended the beginning of the Earth Summit environmental conference in Rio de Janeiro as a guest of the Brazilian government even though Mr. Cavaco Silva was scheduled to arrive there days later.

Some political experts believe the rivalry between the two has become particularly acute now because during the first six months of 1992 Portugal has held the rotating presidency of the European Community, and Mr. Soares reportedly feels he has been kept out of the limelight by the government.

The problem, though, is not new. Last October, Mr. Cavaco Silva al-

most boycotted a summit meeting in Mexico that brought together leaders of Spain, Portugal, and 19 Latin American nations because Mr. Soares was not invited. He attended only after it was clear he would be Portugal's spokesman.

In that, Mr. Cavaco Silva has the support of the post-dictatorship constitution, which gave the president no voice in foreign affairs. The president's main prerogative is to name a prime minister, an important role in cases of coalition governments. At present, though, the governing Social Democratic Party enjoys a solid parliamentary majority.

Mr. Cavaco Silva, 52, won reelection in October in recognition of the rapid economic growth that has taken place here since Portugal joined the 12-nation EC in 1986. Later this month, he will be in the public's eye when he is host at a community summit conference here.

But Mr. Soares, 67, enjoys a special place in Portugal's recent history and appears to believe he has a moral — if not constitutional — right to give his opinions. And here the public seems to be on his side: he was overwhelmingly re-elected to a five-year term early last year, with even Mr. Cavaco Silva's party not presenting a challenger.

As president, though, Mr. Soares has been more popular than he was as a Socialist prime minister who was never able to win an absolute majority of parliamentary seats and presided over three weak coalition governments between 1976 and 1985.

Mr. Soares has theoretically risen above party politics, yet many Portuguese political experts believe his deep shadow has prevented a strong successor from emerging from the ranks of the Socialist Party that he founded. In February, Antonio Guterres became the party's third leader in six years.

In practice, Mr. Soares has frequently taken positions in conflict with those of the party, which has further discredited the party in the eyes of the electorate. Now that Mr. Soares appears to have decided to lead the opposition from the presidency, however, all eyes are on Mr. Cavaco Silva to make the next move.

## TURKEY IS SEEKING COMPANIES TO INVEST IN CONSTRUCTING A BETTER WORLD

Turkey has taken decisive steps to join the world economy. The privatization of state-owned enterprises is proceeding rapidly. In this context, 11 cement plants are being offered for sale to local and foreign companies willing to benefit from Turkey's integration with the world. Take advantage of this profitable opportunity: invest in Turkey. Invest in the 21st century.

Republic of Turkey, Prime Ministry Public Participation Administration (KOI) offers to sell all of its shares in the following companies:

COMPANY NAME	PERCENTAGE OF SHARES SUBJECT TO SALE (%)	AMOUNT OF BID BOND (TL Million)	OPTIMUM CAPACITY (TON)	
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ADIYAMAN ÇİMENTO SANAYİİ T.A.Ş.	100,00	5,000	620,000	510,000
AŞKALE ÇİMENTO SANAYİİ T.A.Ş.	100,00	5,000	350,000	280,000
BARTIN ÇİMENTO SANAYİİ T.A.Ş.	99,78	5,000	300,000	220,000
ÇORUM ÇİMENTO SANAYİİ T.A.Ş.	99,85	5,000	390,000	310,000
DENİZLİ ÇİMENTO SANAYİİ T.A.Ş.*	100,00	5,000	620,000	510,000
GAZİANTEP ÇİMENTO SANAYİİ T.A.Ş.	99,72	5,000	545,000	470,000
İSKENDERUN ÇİMENTO SANAYİİ T.A.Ş.	100,00	5,000	1,200,000	0
LADİK ÇİMENTO SANAYİİ T.A.Ş.*	100,00	5,000	610,000	525,000
SİVAS ÇİMENTO SANAYİİ T.A.Ş.	100,00	5,000	325,000	320,000
ŞANLIURFA ÇİMENTO SANAYİİ T.A.Ş.	100,00	5,000	475,000	510,000
TRABZON ÇİMENTO SANAYİİ T.A.Ş.	100,00	5,000	380,000	310,000

\*KOI's shares in Denizli Çimento Sanayii T.A.Ş. and Ladik Çimento Sanayii T.A.Ş. will be sold in block subject to the condition that up to 49 per cent of the shares in these companies will be offered to the public by the buyers within a time period determined by KOI after the sale of the shares is effected. The exact percentage of the shares that will later be offered to the public will be determined by KOI by taking the tender offers into consideration.

- Further information about the companies can be obtained from KOI after June 1, 1992. The address is shown below.
- The sale of KOI shares in each of the companies listed above will be effected by inviting tenders and subsequently holding sale negotiations.
- The tender and an irrevocable unconditional bid bond for the listed amount corresponding to the related company, payable on first simple demand with a tenor of at least 6 months must be submitted to KOI no later than July 24, 1992, by 6:00 PM official Turkish time.
- In the tender, the offered price for the shares which are subject to sale should be clearly specified.
- The tenders should be submitted separately in closed envelopes with the following inscription

for the related company "Tender for ..... (the name of the company) ..... CONFIDENTIAL"

- The successful bidder shall furnish a performance bond for the amount of 6 % of the agreed sale price and a letter of intent comprising the price and the terms of the sale. If the letter of intent is not submitted or if the bidder fails to sign the sale contract after the submission of the letter of intent and/or fails to provide the performance bond until the closing date to be determined by KOI, the bid bond will be called by KOI.
- Republic of Turkey Prime Ministry, Public Participation Administration is not subject to the State Tender Law No. 2886 and reserves the right to decide whether or not to sell the shares and to extend the deadline of the tenders, if necessary.
- The sale of shares to persons domiciled abroad is subject to all relevant Turkish legislation.

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What can be done

# PLO's Security Chief Is Slain

By Youssef M. Ibrahim  
New York Times Service

PARIS — A high Palestinian Liberation Organization official was shot and killed outside a Paris hotel early Monday morning as he returned from a late dinner.

The victim, Atef Bseiso, 44, who was in charge of security and intelligence-gathering for the guerrilla organization, was in Paris for what PLO officials described as a routine trip of consultation with French intelligence officials.

According to reports by French and Palestinian authorities, Mr. Bseiso was killed by two men who used silencer-equipped guns as he returned from dinner with Lebanese friends. The shooting occurred about 1 A.M. in front of the Méridien Montparnasse Hotel.

The killers escaped unhindered, officials said, suggesting that the action was based on information collected inside the PLO about Mr. Bseiso's precise movements and where he was staying.

Spokesman for the Palestinian

leadership in Tunis immediately accused Israel in the slaying.

Callers from two extremist Jewish groups said they carried out the midnight killing, and they threatened more.

[The callers, who telephoned The Associated Press bureau in Paris within 90 minutes of each other, said they represented the Kach International Movement and the Kahane-Chai organization "founded by the son of Meir Kahane." Meir Kahane, American extremist Jewish leader, was shot and killed in New York in 1990.]

In Amman, Jordan, the PLO's chairman, Yasser Arafat, charged that the Mossad, Israel's secret service for operations abroad, was behind the killing.

In Jerusalem, according to Reuters, Ehud Gold, a spokesman for Prime Minister Yitzhak Shamir, dismissed the accusation as "totally and completely ridiculous and does not deserve a response."

Some French officials suggested that the killing might have been the work of the renegade Abu Nidal terrorist group.

The murder was the sixth in France of a senior PLO official since 1972. This reflects both the close ties kept between France and the PLO and the transparency of the PLO's leadership apparatus to its enemies, including Israel and the Abu Nidal group.

Until his murder in Tunis in 1991, Salah Khalaf, Mr. Bseiso's predecessor, maintained regular contacts with French intelligence officials. He and Mr. Bseiso visited Paris secretly every few months for consultations.

They exchanged information on potential terrorist actions in Europe and elsewhere by various terrorist groups about which the PLO is well informed, according to Palestinian and French officials.

After Mr. Khalaf's death, Mr. Bseiso took over the contacts, which were part of an unofficial agreement dating from 1985. That deal included a pledge by the PLO to warn France of any conspiracies it learned about.

France reciprocated with conditional support of the Palestinian cause in international forums.

# MALL: Imported Luxuries Amid Corridors of Marble Reveal Changes in Israel Since 1967

(Continued from page 1)

emphasis on individual values. Although the election campaign may show little sign of it, the political ramifications of these broad changes are becoming more and more evident. In the last two years, huge majorities of Israelis have consistently told pollsters that the Middle East peace process should go forward, and that the country's fragmented political system and state-dominated economy should be sharply reformed.

In every recent poll, a majority are also shown ready to abandon the nationalist dream of keeping forever all of the occupied West Bank and Gaza Strip.

Ultimately, what the evidence shows is that Israel in the 1990s is rapidly nearing the final goal of the first Zionists. It is becoming a "normal" country, driven by the bourgeois material values and secular aspirations common in Western societies, rather than Jewish fears of destruction and another Holocaust, or nationalist dreams of territorial aggrandizement.

Regardless of which government comes to power this summer, Israeli politics in the coming years will likely grow less strident and less ideological, and its leaders more open to making compromises of both principle and territory in exchange for peace and prosperity.

"What is happening is that in many ways, Israel is finally joining the world," said Eli Saggi, dean of economics at Tel Aviv University. "The economy and the larger society have started down paths that really are irreversible. That's why I am optimistic about where we will be by the turn of the century,

and why it almost doesn't matter which party is elected."

Twenty-five years ago, the heroes of Israel were generals, rugged men like Moshe Dayan and Ezer Weizmann who fought the 1967 war. Today, if one were to look for an emblematic representative of Zionism, it might very well be a man like David Assia.

Mr. Assia, 40, is neither a general nor a

**'What is happening is that in many ways, Israel is finally joining the world.'**

Eli Saggi, dean of economics, Tel Aviv University.

kibbutz farmer, although he did spend seven years in the army. Rather, he is a high-technology entrepreneur, the chairman of one of Israel's fastest-growing software companies and the leader of an association of 140 software firms.

While the generals of a generation ago fought to establish the Jewish state as an irreversible presence in the Middle East — and succeeded decisively in the 1967 war — Mr. Assia and the other leaders of his age have taken on another, almost equally important task: solving the lingering problem of Israel's economic viability by creating efficient, technology-intensive new industries that can compete on world markets.

"Today we are dependent on the United States for grants," Mr. Assia said. "Our imports exceed our exports. Our gross national product per capita is far lower than European product per capita, and there's no reason it shouldn't be the same. In the future, Israel has to become economically independent, and to do that, it has to be integrated into the world economy."

Like most of the new class of businessmen, Mr. Assia considers himself as ardent a Zionist as were Israel's founders. He is convinced that "you have to have a country to house the world's Jews."

But his forward-looking view of Israel's needs leads him to different conclusions about the goals it should pursue.

"In terms of government policies, if Israel is to become economically independent, I'm not sure some of the political priorities are right," he said in an interview at his cramped Tel Aviv office. "Is it more important to build settlements in the West Bank or to spend the money to absorb more immigrants, give incentives to export companies and build infrastructure for industry?"

Implicit in what Mr. Assia said is the notion that Israeli Jews should aspire to live more or less the same lifestyle, and share the same values, as people in other modern industrial nations, rather than pursuing old obsessions like settling new lands or battling with Arabs over every stone of the biblical Land of Israel.

"Now that I have started traveling a lot, I've noticed that the main streets in the big capitals around the world look more and more the same," he said. "You have the same stores, the same products, the same fast

foods. And the more this happens, the more people are starting to share the same values. This will happen here, as well."

For older or more traditional Israelis — not to speak of the country's Orthodox Jews — such predictions are deeply troubling.

"There are certain days when you wake up and you say, 'We are different,'" said Ehud Gol, a Foreign Ministry official now serving as spokesman for Mr. Shamir. "There are things that make us different from others, and we should maintain this. Because this is our strength. We have not reached the end of our growth yet, we are still building a nation. We don't want to be like every other country."

Many Israelis are quick to point out the ways in which their society still stands apart from most of the West. The heavy requirement for military service for the Jews of Israel — two years for young women, three years for men and annual reserve duty for men up to age 51 — is rarely questioned, and large numbers still volunteer for the paratroops and other elite units.

Psychologically and culturally, the Jews here also remain both more close-knit and more conformist than Western peoples.

A substantial minority of Israelis, too, remain either totally opposed to secular Western values, passionately committed to winning the battle against Palestinians over the occupied lands, or both.

In the last decade, these groups frequently have managed to impose their will on the rest of the country, and will pose a serious obstacle to any major change in the political and territorial status quo.

# SARAJEVO: Adagio to the Dead

(Continued from page 1)

Europe, Sarajevo, in a narrow valley bordered on all sides by mountains, has long been the symbol of this richly textured life, enchanting generations of travelers since the present city was established by a Turkish sultan in 1462.

Now it is a symbol of another kind — a place where Muslims, Serbs, Croats, and other religious and ethnic minorities, including Albanians and a tiny population of Jews, suffer together. They endure the gunfire of Serbian nationalists who believe that the independent nation of Bosnia-Herzegovina proclaimed on March 2, and led by Muslims and Croats, will dominate and eventually persecute Serbs.

From this conviction — met with increasing ferocity in many parts of the republic by Muslims and Croats, some of whom have adopted tactics as brutal as those of the Serbs — has grown the war that is draining the life from Sarajevo.

Although the United Nations on Friday reached the outline of an agreement to take control of Butmir Airport, on the city's outskirts, from the Serbian forces and to open a corridor into town, there is little confidence here that the Serbs will cooperate.

By lifting the siege, the Serbs would effectively acknowledge that

they have lost the city, many in Sarajevo believe. Already, all but a few of Sarajevo's suburbs are controlled by Bosnian territorial forces made up of Muslims, Serbs and Croats.

But if relief supplies do not arrive soon, desperation could turn to catastrophe. Only a handful of government services still operate, and those in skeletal state. No one seems to know how many people remain, but it appears to be at least half the city's prewar population of 560,000, possibly many more.

The Serbian nationalist forces allow no food to pass through their roadblocks on the periphery of town, and supplies that have been sneaked past their gun positions on the hills have been minimal. Most families have only loaves of bread baked by the single bakery that continues to function.

At night, the skyline is a facsimile of Baghdad during the Gulf War, with gunners' flares lighting the high-rises of the city center in silhouette and tracer fire skipping across the sky.

The number of dead and wounded is unknown, but gravediggers are hard pressed to keep up with the new bodies, arriving by the hour.

— JOHN F. BURNS

# CONFLICT: U.S. Raid Is Urged

(Continued from page 1)

with little or no food, water, electrical power or medical supplies.

"Every hour seems like a year here," Mr. Iztbegovic said, speaking from an office that had been shaken only an hour earlier by artillery shells that hit the roof and outer wall of the building.

The 66-year-old leader is working in an increasingly chaotic situation in which most telephones have failed and officials in different parts of the city receive instructions from messages read over the Sarajevo television and radio stations.

He said that the government's newly organized territorial defense forces were fighting against odds in trying to prevent the Serbian forces who attacked at dawn Monday in the suburbs of Vraca and Dobrinja from "taking over the city."

Because of the risks of venturing into streets that were turned into a nightmare of exploding shells and sniper fire by the Serbian gunnery, Mr. Iztbegovic agreed to prepare a statement for relay by telephone to reporters sheltering in an apartment building six blocks away.

Speaking through his daughter Sabina, who translated from the president's Serbo-Croatian, he said that Bosnian government forces were fighting "only with light arms and insufficient amounts of ammunition," and added:

"The aggressor is committing terrible massacres against the civilian population. Such tragedies have never been seen here even during the Second World War."

For more than 12 hours, past midnight, heavy guns set on hillside lookouts directly overlooking Sarajevo attacked targets throughout the densely populated areas of the city with a ferocity exceeding even the weekend shelling that preceded it, sharply worsening conditions for

residents who were already desperate.

In many areas, supplies of water were nonexistent or running critically low, apparently because Serbian officials switched off pumps at the weekend that feed most of the city's water from suburban areas like Ilidza, in the west of the city.

With fires burning uncontrollably in hundreds of buildings and with secondary explosions erupting in some of the high-rise office towers, apartment blocks and factories that were heavily damaged or destroyed by the shelling, the transportation system of delivering bread loaves, the last food left for many people, collapsed.

Residents in the central area of the city emerged from basement shelters in vain at intervals throughout the day hoping for the trucks that deliver the loaves, but none appeared, apparently because the streets were considered too dangerous.

In Washington, the State Department said there was starvation in Sarajevo.

Shells blasted residential buildings, Government complexes and historical landmarks in the heart of the city in an apparently random fashion, with volleys of as many as 30 shells a minute hitting the central district, and similar fire ranging all across the valley floor between mountain ranges that encircle Sarajevo.

According to residents who were previously officers in the Yugoslav Federal Army, which supplied most of the gun crews and weapons to the Serbian forces, many of the shells were from the 155-mm howitzers that are the most powerful field weapons in the Serbian arsenal.

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# New Player on Dunhill Team With Lagerfeld, Focus May Shift to Women's Wear

**W**INDSOR, England — Queen Elizabeth II arrives in Paris on Tuesday for her first pomp-and-circumstance state visit to France in 20 years. In Windsor Great Park this weekend, she was doing what she really enjoys — standing on muddy ground watching sweaty horses thunder by on the polo field.

The Alfred Dunhill Queen's Cup could be seen as an advance celebration of this week's entente cordiale. For the British luxury-goods company that sponsors the polo has just acquired Karl Lagerfeld — both the Paris-based

label is now only 3 percent in smokers' products, with 37 percent in menswear (introduced in 1976), 21 percent in watches and jewelry and 21 percent in leather goods.

Dunhill's other brands are Chloé (bought in 1985); the newly acquired Lagerfeld label; Mont Blanc pens, and Hackett, bought in 1991, a small men's outfitter based on British Empire nostalgia encapsulated in the phrase "young fogey."

Is Dunhill planning to challenge the established French conglomerates in the big game? A young British designer, Tomasz Starzewski, who was a guest at the polo event, said that he had been asked last year to prepare a line, but that it had been put on hold.

"We do sell to women — we sell pens and watches that women wear — but we are not doing women's wear," says Mike Nicholson, the managing director of Alfred Dunhill. "We saw the need in the mid-1970s to expand the

brand out of smokers' products, and that was followed by a very active period of merchandising and marketing. We made a concerted effort in the Far East and we are very proud to be in the top five brands there, which provides us with the opportunity to grow."

The strategy for the 1990s is to build on Alfred Dunhill's powerful position in the Pacific Basin and a strong one in North America, and to go for growth in the weaker European area. There will also be a push on men's clothing, which the merchandise director Alan Duddle, formerly with Ralph Lauren in the United States, would like to see rising to 50 percent of the business.

"What is happening in the company is a more international appeal and a look at the consumer and what he is looking for," says Duddle. "At Alfred Dunhill we have a unique heritage. But unfortunately there are a few people out there who are more British than we are. The world outside perceives the English quite differently. I suppose that I would define our image as clean, elegant, with obvious quality, consistent and not over-styled. I prefer to call it quality, because luxury is such a hackneyed word."

The current menswear look is that bland and beautifully made style that epitomizes British classic, but that has no cutting edge in fashion or distinct vision. A typical outfit is a tailored blazer or sports jacket in very fine fabrics, with trim pants and appropriate shirt with cut-away or polo collar.

The safe, even timid, approach at Alfred Dunhill makes even more significant the wom-

en's wear tie-up with the ebulliently creative Lagerfeld. Chloé and Lagerfeld are under the direction of Mounir Moufarrige, a member of the Dunhill Holdings executive committee, who was the inspiration behind the move over the last decade from smokes to clothes. He says that he had negotiated for more than a year to buy the Lagerfeld company from its owners, Revillon Luxe SA, and to "bury the hatchet" with the designer who had left Chloé "slamming the door."

"I told him to come back to his mother, where he had been for 20 years — but whom he had not come to see for 10 years. I think he liked that," said Moufarrige. "We are a good team. What I like about Karl is that he is very clever and talented and a businessman at the same time. Both brands have a distinct identity: Lagerfeld is strong, pointed for a fashion woman and forward-looking; Chloé has a timeless femininity in a modern way."

Lagerfeld, who already designs couture and ready-to-wear for Chanel and a line for Fendi in Italy, calls himself a "feyll and Hyde."

"Karl Lagerfeld is the hard edge of my personality and Chloé is the soft edge," he says. "It is not like another collection for me — it is a style that I invented and it is one of my multiple personalities. I am opening a door that has been closed for 10 years — part of my 'patrimoine spirituel' as the French say, it's another spirit but it is still me, like Fendi is my Italian side."

Karl Lagerfeld, bought by Dunhill for around £160 million, has not enjoyed the same overwhelming success as Chanel, where Lagerfeld became design director in 1983. Moufarrige believes it will be "easy" to double in three years Karl Lagerfeld's 1991 turnover at retail of £240 million.

"The growth rates have been fantastic, but part of the business has been run with a Cartesian strategy — but to out benefit the licenses haven't had time to damage it, and we can now give the brand a visual concept," says Moufarrige. He was referring to a system of handing out short-term licenses, most of which will be up for renegotiation in 1993.

**A** CONFIDENT Moufarrige, boasting that Dunhill owned the "old and ugly" Mont Blanc pen into a cult symbol and made its Alfred Dunhill watch the fourth best seller in the world, contends that "in seven years Chloé can start rivaling Chanel" and that Dunhill will soon be seen as "the English Hermès."

In the luxury industry, where constancy is as key an ingredient as quality, Dunhill and Lagerfeld may have made the perfect match. The designer will get the financial back-up and the structure he has hitherto lacked in his own company to bring his lightning-fast ideas down to earth. Dunhill gets a designer to give its women's wear the strong personality the brand lacks, just in time to celebrate its centennial in 1993.

"And who knows, maybe menswear will be my next push," says Lagerfeld. "I see myself like an abstract vision. What I like best is being in the studio — that's all I'm asking in life. For me, it is a case of doing it for doing it."



At the Dunhill polo event, from top right, Koo Stark (left) and Joan Collins; Mary Lou Vanderbilt-Whitney (left) and Cristina Ford; Queen Elizabeth II and the winning team. Top left, Karl Lagerfeld, Lord Douro.

## STYLE MAKERS

### N.Y. Epidemic

#### THANKS FOR NOTHING

**N**EW YORK — The cards are small and white, with or without colored border, containing short, scrawled messages. These little missives mean only one thing: You're about to be stroked.

Lately they have been pouring in from all quarters, a Niagara of effusive appreciation. "Thanks for the wonderful lunch."

"Thank you so much for telling it like it is."

"Thank you for coming to our party/dinner/fashion show/press event/perfume launch/boutique opening."

It used to be that you were expected to thank them for having you. Now they thank you for coming.

There was even one that said, "Thanks so much for your consideration, even though you were unable to attend."

Not to seem ungrateful, one must point out that he has done virtually nothing for anybody worth mentioning lately. But even wretched persons continue to be thanked, even more so.

It seems to be part of an upsurge in stroking behavior, which finds expression in everything from testimonial dinners to Arsenio Hall, who actually strokes the hands and knees of his guests on television.

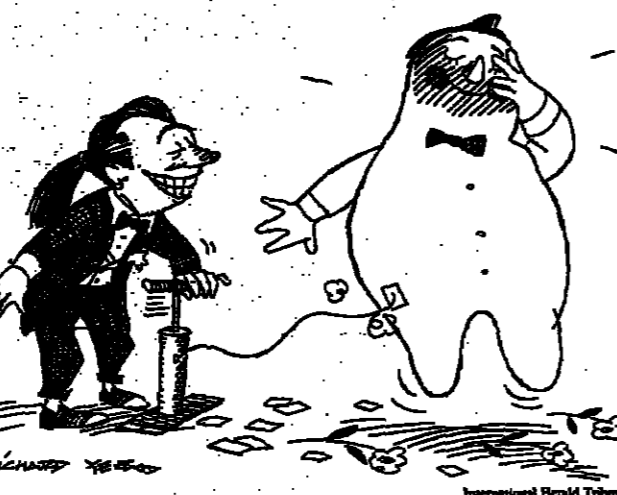


Illustration by Woody Hochswender

inches, are called correspondence cards and were never meant to supplant the tradition of letter writing. The size of the paper makes the idea of writing seem less daunting. A Tiffany salesman said they now out-sell all other forms of stationery.

A slash mark, or stroke, is typically drawn through the last name at an acute angle by the writer, to indicate that he or she is on a first-name basis with the recipient. This literal stroke is a vestige from the calling cards of a pre-telephone era, when friends would drop by unexpectedly and announce themselves by card.

A childish scrawl is a la mode. Indeed, the completely illegible note, as a token of appreciation, also doubles as a subtle sign that the sender is so enormously busy that he or she barely has the time to dash off the words.

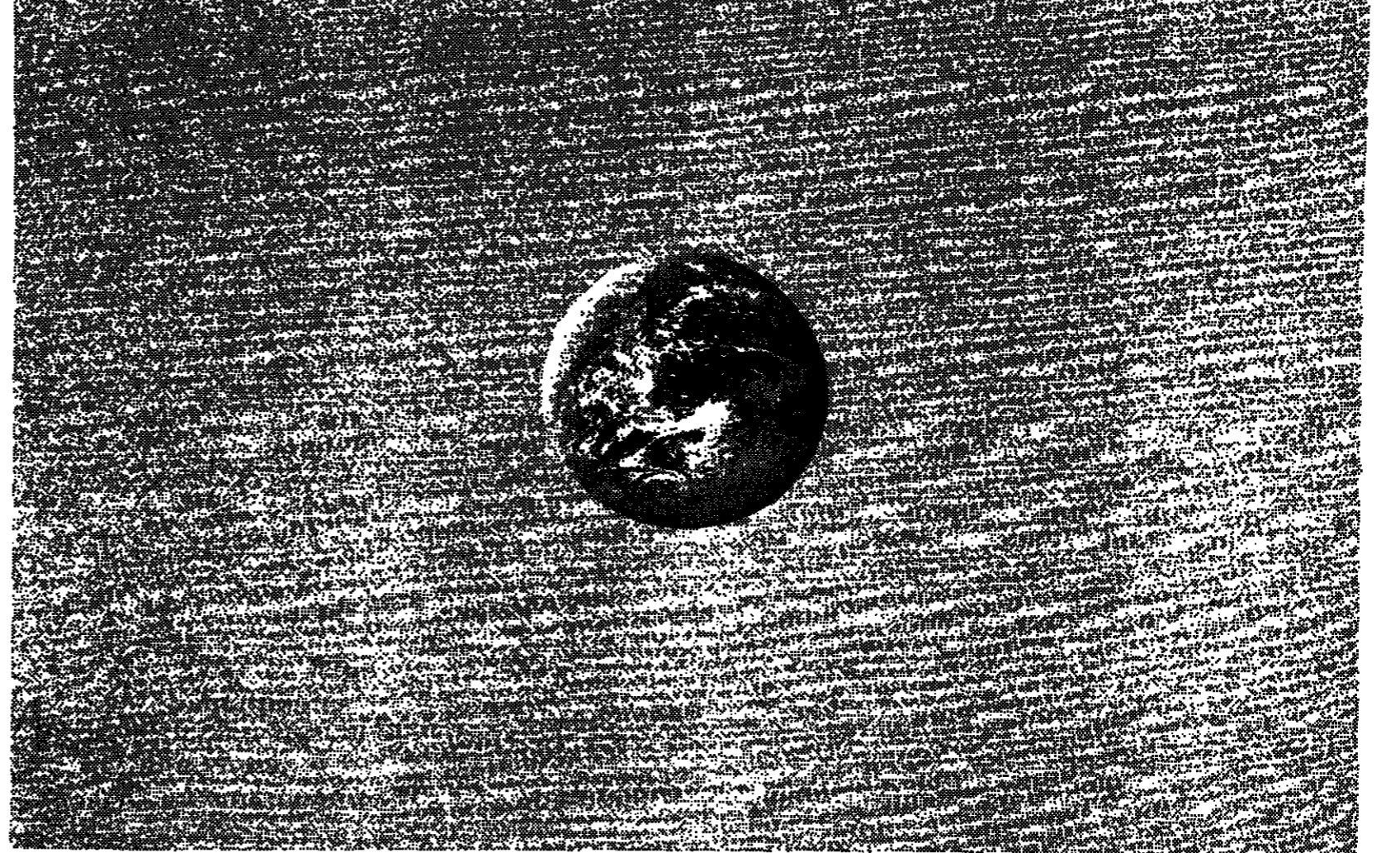
"Thanks you so much for your wonderful mmit luvur nit don bluh."

Nevertheless, it is a rare tribute. The spirit is also reflected in more public discourse. Society columnists typically precede mentions of celebrities and socialites with key stroke words: the beautiful so-and-so; the long-legged Mrs. Such and Such.

These mentions are doubly appreciated, no doubt, but a simple name drop will usually do. Mary McFadden, the fashion designer and socialite, for years was known to send out a single rose, which arrived in a long florist's box, to any reporter or columnist who mentioned her name, no matter what the context.

There is also calibrated stroking. The novelist Jay McInerney, interviewed by Dick Cavett recently on television, related the story of his first screenwriting experience in Hollywood. When the studio flew

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**The Balkans Won't Wait**

Bosnia, now being ripped apart by bombs and pogroms, screams out an urgent warning. A blood tide is rising in Eurasia's ethnic archipelago, islands of human settlement shaped by centuries of migration, colonization and conquest. Demands for ethnically homogenous states threaten civil wars, mass expulsions and unending cycles of revenge.

Croatia's Serbs lived among their Croatian neighbors for centuries; they were originally recruited to help repel the Turks. Both peoples are south Slavs, virtual ethnic cousins. But Croats, long under Austrian rule, are mainly Roman Catholic, while most Serbs are Orthodox Christians.

**Russia's Unpleasant Job**

To make a market economy work, Russia has to curb inflation by getting bank lending and credit under control. But much of the country is now living on those deficits and loans. Cutting them isn't quite as cruel as it sounds, since Russia now provides unemployment compensation.

mentary deputies changed their minds and voted to reject the resignation. Most of the \$24 billion in aid that the West promised Russia two months ago is contingent on the reforms and, specifically, a much lower inflation rate.

**Restrain the Arms Flow**

It is no secret that the Bush administration helped build up Iraq militarily before going to war against it. Last week, Mr. Bush acknowledged that his policy of accommodation had flopped.

ated efforts to promote sales. In 1990 it reorganized the State Department's Office of Munitions Control, which is responsible for regulating commercial arms exports.

**Other Comment**

**A Real Politician Would Do**

Somebody does have to run for president, and somebody then has to be president. So like a president, lead like a president. Because if nobody is president, if the office is bought up by conglomerates and its functions farmed out to a lot of newly minted ideologues, certain crucial bits of national business don't get done.

**Cut Back on Nuclear Testing**

The Bush administration has been presented with a pregnant moment in history to end the insanity of the arms race. The Cold War is over, and U.S. bomb factories are broken down.



**Campaign '92: Grumbling in the Front Row**

The season of presidential primaries has come to a close. As the Republican and Democratic conventions draw into view, and as a formal Perot candidacy appears almost certain, political leaders and commentators make their picks and assess the road ahead.

MY decision to support Ross Perot came with regard to the electoral consequences, because I do not believe that it makes any real difference whether Bill Clinton is elected or George Bush is re-elected. Our great country is in trouble. The answer to our problems is not likely to come from either major party, because the nomination processes of both exaggerate the influence of interest groups, reward extreme positions, produce a public discourse that is irrelevant to the average citizen and create a cynicism about the political process that discourages participation.

I believe simply that the possibilities of a Perot presidency are more promising and compelling than the certainties of a Clinton or Bush presidency.

THIS ERA must end." Thus said a staunch Democrat who was urging me to endorse Mr. Perot. He is right. This era must end. The economic and social policies of Mr. Bush are bleeding this country dry, drop by drop.

**The Bush-Yeltsin Summit Dance Could Be Tricky**

By Jim Hoagland

MOSCOW—The shadow of war and peace hovered over U.S.-Soviet summit meetings during the Cold War. When George Bush welcomed Boris Yeltsin to Washington this coming Monday, the biggest shadows hanging over their meeting will be cast by the political rivalries each leader faces at home.

Here in Moscow it is no secret that Mr. Bush infuriated Mr. Yeltsin by hosting Mr. Gorbachev for dinner at the White House last month. Mr. Bush's decision overrode clear and strong objections to American officials from Mr. Yeltsin aides.

Mr. Gorbachev's counterresponse. Mr. Strauss reportedly has offered some cool-it counted to the two men. Assigned here to woo Mr. Gorbachev, he has established a good working relationship with Mr. Yeltsin.

**The Indonesian Ritual Is Here Again**

By James Clad

JAKARTA—On Tuesday nearly 100 million voters will choose candidates for 400 elective seats in Indonesia's parliament. It will be the fifth parliamentary election since Suharto, then an army general, became president 25 years ago after a failed leftist coup.

years ago from a miscellany of parties, the three political groups authorized to contest the parliamentary elections — the government-backed Golkar, the Indonesian Democratic Party, and the Muslim-oriented United Development Party — also face restrictions in the brief campaign period. They are forbidden any grass-roots organizing between these carefully controlled campaigns that are held only once every five years.

two rich and poor and all family members of the president's ally to establish business monopolies. The Indonesian Democratic Party is hoping to defeat Golkar in greater Jakarta, which has a population of 14 million and a growing middle class. But the United Development Party, weakened by the government's steady erosion of any distinct Muslim appeal it might offer, seems set to lose some of the 61 seats it won in the last elections in 1987.

**Perot's Call Is Enough To Frighten**

By Anthony Lewis

BOSTON — Ross Perot is the most interesting thing that has happened to American politics in years. He is also the scariest. He has tuned in brilliantly to Americans' frustration with government, their perception that life in their country is growing worse and politicians do nothing about it. He has convinced an astonishing number of people that he can fix things if he is put in charge.

Direct democracy. But who will "make sure" the people understand the issues? The opportunities for manipulation are overwhelming. Few of the issues that confront governments are so simple that they can be decided by putting a telephone button on checking a postal box. In fact, that kind of direct democracy is usually a device to transfer real power to a maximum leader.

THE PEOPLE are restless. They are angry and frustrated. They are restless because we feel pushed against the wall by forces we cannot fight alone and Washington is not on our side. Our jobs are disappearing and our children are without prospects. We are angry because we thought we had a contract with our government: We would be hard-working and pay our share and the government would lead us into economic prosperity.

Mr. Perot hired Roy Cohn, the New York lawyer, to stop the memorial from being built as designed. Mr. Cohn demanded the memorial fund's records, charging it had misused money. An audit showed nothing wrong. After delay caused by Mr. Perot's obstruction, the memorial was built.

Frank Borman, the former astronaut, was once hired by Mr. Perot to try out the electronic town meeting idea. But he told Michael Kelly of The New York Times that he had come to think it was a bad idea, one with "enormous potential for manipulating the emotions of people" and intimidating Congress.

**IN OUR PAGES: 100, 75 AND 50 YEARS AGO**

**1892: Kaiser Extolled**

VIENNA — At the solemn mass celebrated at Buda Pesth this morning [June 8] the Kaiser and the Archdukes Albert, Carl Ludwig, Joseph and Frederick wore the crimson uniforms of Hungarian cavalry Generals, while the Hungarian Guard wore their medieval dress of red coats and silver helmets and carried pikes. Primate Vascary, after the service, delivered a long address in which he spoke of the Kaiser as the first of the Hungarians, of whom none was more faithful to the Constitution than he or had greater respect for the laws. At noon the Kaiser received the members of both houses of the Hungarian Parliament.

**1917: A Queen's Escape**

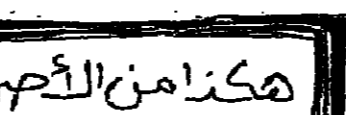
AMSTERDAM — Queen Wilhelmina had a miraculous escape yesterday [June 7] in a railway accident between Schalkwyk and Houten. Five carriages, including two occupied by the

Queen and her suite, left the rails. Several persons were injured, though not seriously. An Englishman who was travelling in the train offered the Queen some water, but she requested him to give it to the injured persons whom she herself attended, dressing wounds with what material there was at hand.

**1942: Battle of Midway**

PEARL HARBOR — [From our New York edition:] The first eyewitness account of the Battle of Midway Island, detailing its most violent stages, was related today [June 8] by a wounded American naval aviator, who told of floating in the sea and watching a line of burning Japanese ships pass by. He told of the thunderous and highly unsuccessful attack by American dive-bombers and torpedo planes on Japanese aircraft carriers. From his "fish-eye" view he watched the desperate circlings of Japanese naval planes, unable to land on their blazing and battered mother ships.

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OPINION

The Worse-Is-Better World Leaves No Room for Peace

By William Safire

GAZA. Disputed Territories in Israel... Sharon, Israel's housing minister and most controversial hawk, strapping his bulk into a small helicopter.

But sealing off the horbed of Palestinian nationalism, temporarily denying 60,000 workers access to their jobs in and around Tel Aviv, is a mistake.

Israel has offered to build housing for Arabs in Gaza. But Arab monarchs—who could transform life in Gaza—prefer the continuation of publicized misery.

is prettier and more productive than Florida's Palm Beach. The Jewish settlers selected to be greeters were not religious zealots, but people who chose to pioneer in a desert to build a life for their families and create a "fact on the ground."



The pattern of settlements already points the way to sensible compromise, with Arab population centers free to work toward federation with the Palestinian state across the Jordan River.

One stunner is the current election campaign in Israel, a free-for-all with every opinion expressed and no politician unchallengeable, in sharp contrast with the practice in most of this nation's neighbors.

Another source of wonderment is the democratic impact of the olim, recent immigrants from the former Soviet Union, who make up a twelfth of the population and are this election's swing

Would They Even Miss the View?

By Hans Koning

NEW HAVEN, Connecticut—On Cape Cod a season back, the winter light seemed to imitate art: It had the neutral, square-edged quality that I only knew from the paintings of Edward Hopper.

lights" rule, which makes it impossible to put up a house right in front of someone else's windows and thus replace an established view of the sea with a view of the new neighbor's bathroom!

More than ever, "development" seems to mean getting a fast return and making off with the take, while the fruits of this development ruin the landscape for the decade or two it takes for those fruits to fall apart.

MEANWHILE

ing around the Cape gives me. I became almost thankful for the depression (or if you insist, recession), for having at least put a brake on the wildest of these enterprises.

That said, the Cape doesn't compare badly with, say, the south of France. There are still beaches so wide and long that they don't come to a visible end but dissolve in a glimmer at the horizon.

The climate is a far cry from that of the Côte d'Azur, but it is honestly rough. When the bay freezes over near shore and you come at low tide onto an empty beach covered with the ice floes the sea left behind, you face a stark spectacle of American natural beauty.

That doesn't mean I would object to a simple café with a few chairs outside, where you could sit with a cup of coffee or a glass of wine, and with a bit

of a view of the land and the sea (without spoiling the look of that land and sea). The pity is that in the Anglo-American cultural heritage there seems to be no room for that.

No matter how hard Americans try to transplant some of the things they have enjoyed in Europe, it never comes out quite right. I won't pretend I understand. Even newly transplanted Europeans cannot get it right. Americans' cultural moods simply do not tally with the raison d'être of a café, a restaurant or any other public place of that ilk.

I used to believe that bars were an exception, that the American bar was the nation's one original contribution to modern social life. After all, even places like Rome and Paris had room for the transplanted American bar. Of late, however, the American bar has become vitiated by that ruinously misused invention, television.

A virtually windowless bar within a hundred feet of an ocean may have looked a perversion, but I could see a kind of philosophical meaningfulness in those dark places where people focused tenaciously on their beers or Bourbons-and-branch-waters or at the utmost on their faces in the bar mirror.

The Cape Cod bars are still half-dark, but it is now a flickering green darkness and the customers have shifted focus to TV commercials interrupted by sit-com bits with their canned imitation ideas and laughs. No philosophy here.

The writer is a novelist and author of the biography "Columbus: His Enterprise." He contributed this comment to the International Herald Tribune.

LETTERS TO THE EDITOR

Citizenship Laws in the Baltics: History Is What Counts

Misconceptions about the treatment of Russian-speaking minorities in the newly independent Baltic states persist. William Curtis Conner Jr.'s appeal to deny the Baltics aid and trade because of their "ethnically restrictive laws" on citizenship ("Shun Ethnic Nationalists," Letters to the Editor, May 21) demonstrates this fact.

There is a simple explanation for the historical standard. Because of mass deportations of Baltics by Stalin and a centrally organized industrial push calculated to spur mass immigration from the Soviet center to the Baltics, the demographic situation of the Baltic states was radically altered during the period of Soviet rule.

For 50 years, Moscow tried to force the Baltic peoples into the Soviet mold. In drafting citizenship laws haled as among Europe's most liberal by the Conference on Security and Cooperation in Europe and the Council of Europe, the Baltic states have again demonstrated the studied tenacity that brought them to independence with a minimum of bloodshed, unlike Yugoslavia and various regions of the former Soviet Union, where ethnicity does in fact play a key role.

The laws also allow for easy naturalization. Estonia allows would-be citizens to apply for citizenship when they can demonstrate competence in the local language (officially set at the very low level of knowledge of 1,500 words) and two years of residence, starting March 1990; Lithuania's residence requirements is 10 years, counting from 1988. Latvia has not yet set its laws into motion, but most likely will follow the lead of the other two.

Losses Long After the War

The United States and Vietnam should normalize relations and get investment and trade flowing as quickly as possible. What was done in the past was done. But now that the shooting war is over (it has been 17 years), it is time to get on with the peace, however difficult or trying that may be.

The embargo is to punish Vietnam. While America's allies have gone along with it, their resolve to stick by the United States is waning. In some cases it has disappeared altogether.

So the Vietnamese suffer and U.S. business people suffer. At what point does America lose more in business and jobs, than the embargo gains for policy goals? Accepting that there are some principles that transcend economic motives and objectives, there is also a point of diminishing returns. If we have not already reached that point, we are very close to it.

RIINA KIONKA, Radio Free Europe/Radio Liberty Research Institute, Munich.

A Cornucopia of Values

Regarding "Pop-Culture Mirrors Should Scare Us All" (Meanwhile, May 27) by Jonathan Yardley: So U.S. mass culture is bad? It caters

to Americans' basest desires? Mr. Yardley eats his good old anti-pop culture jeremiad and scapegoat cake—and has it, too. He echoes '50s denunciations of Elvis, diatribes against idiot-box TV, and the snobbish grunts and moans that have bedeviled U.S. mass culture since schoolchildren were force-fed Shakespeare in 19th century America.

How convenient for Mr. Yardley (and Vice President Dan Quayle) to omit the fact that U.S. popular culture allows a cornucopia of diverse values. Please do not overlook this democratic strength of U.S. pop culture. As Al Smith said in 1928: "All the ills of democracy can be cured by more democracy." Diversity of expression fuels a healthy social debate. And it follows a law of minimal consequences. U.S. pop culture is not authority but consensus. It mirrors all people's feelings, thoughts and fears. Mr. Yardley's argument, on the contrary, reeks of misanthropic determinism.

JOHN DEAN, Strasbourg, France.

On a Photo From Bosnia

While Serbian militiamen were holding as hostages in a Sarajevo suburb thousands of Muslim women and children who were attempting to leave the besieged city, you published alongside the front-page story on the subject ("Serbs Take Tough Line on Hostages," May 21) an Associated Press photo of a Serbian family seeking shelter in Bijeljina.

It is of course true that innocent civilians are the first to suffer in wars. But one cannot help wondering about the timeliness and appropriateness of the photo's publication, all the more so as Bijeljina is the town where the Serbian forces launched their policy of "ethnically cleansing" Bosnian areas they covet.

Widely circulated photos taken during the Serbian conquest of the nearly defenseless city show members of the infamous Arkan "Tigers"—a fascist militia that works hand in hand with the Yugoslav Army—kicking the bodies of massacred Muslims lying in the streets.

NORMAN GRITZ, Paris.

Operation Owl Storm

Regarding the report "Bush Environment Policy: Opening Up the Land" (May 21) by Keith Schneider: Having failed to remove Saddam Hussein, George Bush has now decided to show that he's a real tough guy by exterminating the poor Northern Spotted Owl. He is doing this because Dan Quayle's Council on Competitiveness thinks it will save them from losing a few Republican votes. How pathetic.

PHILIP SWANN, Geneva.

The key to security.



This key, reputedly derived from an idea of Henry II of France, opens two locks. It illustrates how an earlier age combined security with practicability.

The nineties promise to be a decade of turbulence. In any event, rapid change is on the cards. You'll have to cope with this change. And secure your assets against erosion. At Swiss Bank Corporation, we've designed our private banking around people like you. High net worth clients who seek personalized care and premium service. Our portfolio managers are dedicated to cultivating long-term client relationships, moulding solutions to your particular needs. Backed by decades of experience, a worldwide network of contacts and the financial strength of SBC, they can offer you a strategy to optimize your portfolio performance: whether you opt for growth or long-term security. Why not call one of our people? They know how to listen. In Basel: Michel Meyrat, 41 61 288 2074, Frankfurt: Heinrich Schreiber, 49 69 71 401 700, Geneva: Alan Moses, 41 22 376 6725, London: Louis F. Ackermann, 44 71 711 4855, Luxembourg: Nicolas von May, 352 45 20 30 222, Zurich: Fritz R. Rigoni, 41 123 2221 and in more than 50 other major cities around the world.



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# NYSE

**Monday's Closing**  
 Tables showing the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

Stock	NYSE	Market
IBM	215.12	
Microsoft	150.25	
Apple	175.40	
Oracle	145.30	
Novartis	130.25	
Amgen	120.15	
Genentech	115.20	
Biogen	105.10	
Chiron	100.05	
Amgen	95.00	
Schering	90.05	
Abbott	85.00	
Amgen	80.05	
Amgen	75.00	
Amgen	70.05	
Amgen	65.00	
Amgen	60.05	
Amgen	55.00	
Amgen	50.05	
Amgen	45.00	
Amgen	40.05	
Amgen	35.00	
Amgen	30.05	
Amgen	25.00	
Amgen	20.05	
Amgen	15.00	
Amgen	10.05	
Amgen	5.00	
Amgen	0.05	
Amgen	0.00	

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**CURRENCY RATES**

Currency	Rate
US Dollar	1.00
British Pound	0.65
Japanese Yen	160.00
Swiss Franc	1.60
Canadian Dollar	0.75
Mark	1.50
French Franc	6.50
Italian Lira	2000.00
Spanish Peseta	166.70
Portuguese Escudo	200.48
Belgian Franc	33.30
Dutch Guilder	1.85
Australian Dollar	0.75
South African Rand	1.30
New Zealand Dollar	0.60
South Korean Won	180.00
Singapore Dollar	0.60
Chinese Yuan	8.25
Indonesian Rupiah	1500.00
Thai Baht	25.00
Malaysian Ringgit	1.85
Philippine Peso	50.00
Thai Baht	25.00
Malaysian Ringgit	1.85
Philippine Peso	50.00
Indonesian Rupiah	1500.00
Singapore Dollar	0.60
Chinese Yuan	8.25
Indonesian Rupiah	1500.00
Singapore Dollar	0.60
Chinese Yuan	8.25

**INTEREST RATES**

Instrument	Rate
3-Month T-bill	7.50%
6-Month T-bill	8.00%
1-Year T-bill	8.50%
3-Month Eurodollar	6.75%
6-Month Eurodollar	7.00%
1-Year Eurodollar	7.50%
3-Month Certificate of Deposit	8.00%
6-Month Certificate of Deposit	8.50%
1-Year Certificate of Deposit	9.00%
3-Month Commercial Paper	8.25%
6-Month Commercial Paper	8.50%
1-Year Commercial Paper	9.00%

(Continued on page 13)

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INTERNATIONAL STOCKS

Local Bears Put Damper On South Korean Market

By Steven Brill
International Herald Tribune
SEOUL — A few years ago, when the South Korean economy seemed destined to follow a Japanese trajectory...

Judged by Western analytical techniques, good buys abound.

But Korean investors, not foreigners, are in the driver's seat. And their analysis, which tends to be less sophisticated and more short-term in outlook, is resolutely bearish.

THE OUTLOOK is also clouded by the presidential election in December, which will decide what candidate will become the nation's first nonmilitary leader next March.

While opening the market to direct foreign investment provided some support to the index, the impact has been muted because the opening is limited. The main restrictions are a 10 percent cap on total foreign ownership of any company's shares and a 3 percent ceiling on holdings by an individual.

Yeltsin Delays Freeing Oil Prices

Change in Tactics Flouts Condition Of IMF Aid Plan

MOSCOW — President Boris N. Yeltsin of Russia said energy prices would not be freed before the end of 1992, apparently flouting International Monetary Fund demands to end state price controls.

Have no doubt about the determination of President Yeltsin and his team.

Mr. Baker said the Russian government had "a continuing political commitment and will to adopt free-market economic reforms."

One of the changes, he said, was the timing of the oil-price liberalization, which specialists estimate will send prices up about 60 percent.

An acute cash shortage followed the first stage of reform in January, which ended state control over the price of most consumer goods.

The Ecu: What's in a Name?

Although it was Denmark that gave the first "no" vote to the treaty on economic and monetary union among European Community members, the Germans have been increasingly uneasy with the idea of giving up the Deutsche mark for a European currency unit.

Q. I realize that all 12 don't currently meet the targets to join the monetary union. But do you think existing exchange rates are sustainable or is there a need for one last currency realignment?

A. One cannot answer it directly. We have had no realignment in almost five-and-a-half years and the EMS is functioning. So the question is "can one expect that this can go on up to the last minute or not?"

A. As far as I can judge, this is a discussion not put forward by the French government. It's a private idea.

A. It doesn't look like this would be any solution for France. You can't have both a

revaluation and lower interest rates. I think France is more interested in the latter.

Q. What's behind the German opposition to the Ecu? Is it simply dislike of the name or is Germany saying it sees no need for a common currency?

A. The Ecu of today is not the common currency of a European monetary union. The Ecu today is still a basket of currencies. The treaty calls for an Ecu as a currency in its own right. This is not true at the moment and we do not want to create any misunderstanding that the exchange rate of today would necessarily be the exchange rate at the end of the whole process.

Q. What do you think of the whole process. There is an exchange risk involved between the Ecu and the national currencies. And we want to make it clear. For us, the private Ecu is a creation of the market — in competition to our own currency.

Q. I don't understand when you say the Ecu of today is not necessarily the forerunner of the common currency. If we assume no further exchange rate changes

See GERMANY, Page 12

U.S. Contractor Sets \$1 Billion Stock Buyback

By Steven Pearlstein
Washington Post Service
WASHINGTON — General Dynamics Corp. said Monday it would pay up to \$975 million to buy back 30 percent of its shares as part of a long-term strategy to shrink its business for a new era of reduced Pentagon spending.

Marietta Adds Chip Center

Bloomberg Business News
LITTLETON, Colorado — Martin Marietta Corp. and Vitesse Semiconductor Corp. have established a design center here for gallium arsenide integrated circuits that conform to military standards, the companies said Monday.

The center will be incorporated with Martin-Marietta's design laboratory for very large-scale integration.

Vitesse, based in California, is the world's biggest supplier of gallium arsenide microelectronics. Gallium arsenide is a crystalline material that conducts electricity faster than generic semiconductors.

In the last 18 months, the company has sold off its in-house computer operations to Computer Sciences Corp., its Cessna private aircraft division to Textron Inc. for \$600 million and its missile operations to Hughes Aircraft Co., a division of General Motors Corp., for at least \$450 million in stock.

Still on the block are the company's Chicago-based construction-materials division and its aircraft subcontracting operations in San Diego.

Among the stockholders pushing the strategy are the Crown family of Chicago, which controls 22 percent of General Dynamics. The Crowns indicated that they would tender about half of their 9 million shares which, if accepted, would put about \$330 million of cash in their pockets and still leave them with 15 percent of the company.

Industry analysts have reported that the Crowns had been looking for a means of getting some cash out of their General Dynamics investment while paying as little tax as possible on the transaction. Under a stock-repurchase plan, all shareholders will be taxed only on their capital gains.

In explaining the buyback program, Chairman William A. Anders said it was clear that the company's "cash resources far exceed those needed to pursue opportunities within our core businesses and to keep them strong and viable."

He defines those core areas as building nuclear submarines, tanks, space vehicles and fighter planes.

Even after paying off most of its long-term debt, General Dynamics had \$1.2 billion in cash at the end of March, with another \$450 million expected from the sale of the missile division. Analysts also expect the company to generate about \$500 million in cash from its operations in 1992.

Most analysts predicted that the buyback program would provide a long-term boost to the price of General Dynamics shares.

Among the beneficiaries of such a jump will be General Dynamics executives themselves who, under the company's incentive compensation plan adopted last year, will be entitled to buy 1.3 million shares at \$49 each beginning in February 1994.

The Dollar Stars in Volcker's Book

By Steven Greenhouse
New York Times Service
NEW YORK — Nobody will ever mistake Paul A. Volcker's new book for a Hollywood exposé, but the former Federal Reserve Board chairman does let loose with more than a few barbs in a narrative of the ups and, mostly, downs of the dollar over the last five decades.

He mocks "starry-eyed Reaganians" who believed tax cuts were a "magic chlixir" that would make deficits go away. He calls John S. Reed, the Citicorp chairman, "young and rather brash."

He faults former Treasury Secretary Donald T. Regan for being oblivious to the harmful effects of the soaring dollar in the early 1980s and for "being more than a little impolite" to the finance ministers of the leading industrial powers.

In the book, which was written with Toyoo Gyohten, who used to direct international affairs for Japan's Finance Ministry, Mr. Volcker even criticizes one of his predecessors at the Fed.

He writes that the monetary policy of Arthur Burns was too slack in the early 1970s, helping to create strong downward pressures against the dollar.

In an interview last week, Mr. Volcker said the book was not intended to settle old scores.

Instead, in the text he explores the breakdown of the system of fixed exchange rates, how the United States served as the fulcrum of the world's monetary system and how America's economic leadership has been hurt by the dollar's slide and the

U.K. Widens Investigation Of Maxwell

By Steven Brill
LONDON — The government broadened its investigation of the empire of the late Robert Maxwell by announcing Monday that it was studying the April 1991 flotation of Mirror Group Newspapers PLC.

The government also urged bankers who lent money to Mr. Maxwell using pension-fund assets as security to a "moral obligation" and help pay back retirees.

Investigators probing Mr. Maxwell's affairs after his mysterious death at sea last November say he stole as much as £450 million (\$820 million) from pension funds to prop up shares of his two public companies, Mirror Group and Maxwell Communication Corp.

Administrators running the Maxwell businesses say that £100 million of the £217 million held as collateral by banks still remains.

The Department of Trade and Industry said it had appointed two inspectors to investigate Mirror Group, particularly last year's sale of a 49 percent stake.

The Serious Fraud Office, a state prosecuting agency, is investigating an alleged share-support scheme at Maxwell Communication Corp.

The London Stock Exchange officially delisted Maxwell Communication shares on Monday. Mirror Group shares remain suspended.

As expected, the government also offered £2.5 million of temporary assistance to the retirees.

CURRENCY RATES

Table with columns for Currency, Bid, Ask, and other rates. Includes entries for Amsterdam, Frankfurt, London, etc.

Other Dollar Values

Table with columns for Currency, Bid, Ask, and other values. Includes entries for Australian, Canadian, etc.

Forward Rates

Table with columns for Currency, Bid, Ask, and other forward rates. Includes entries for 30-day, 60-day, 90-day, etc.

INTEREST RATES

Eurocurrency Deposits

Table with columns for Currency, Bid, Ask, and other interest rates. Includes entries for 1 month, 3 months, 6 months, 1 year, etc.

Key Money Rates

Table with columns for Bid, Ask, and other key money rates. Includes entries for 3-month, 6-month, 1-year, etc.

Momentum for Change

Government ministers and central bank officials said Monday that they had won two crucial battles with conservative opponents in Parliament, swinging the political pendulum back in favor of more radical economic changes, news agencies reported from Moscow.

Conservatives were defeated on Friday in their effort to give factory workers the right to acquire shares in their state-owned enterprises when they are privatized.

And attempts by lobbyists to stop the central bank from raising the interest rate paid by commercial banks to 80 percent also failed.

Anatoli Chubais, head of the State Property Committee, said attempts by Communist deputies to amend Russia's privatization law and turn it into a "free handout of state assets to workers' collectives" had failed.

Parliament still has to ratify the government's privatization program, a separate document giving specific targets and deadlines for privatization in most spheres of the Russian economy for 1992. Debate is scheduled for Thursday.

Mr. Chubais also said that the government had rejected proposals to return property seized by the Bolsheviks after the 1917 revolution, blaming such moves for chaos in Eastern Europe. (UPI, Reuters)

SHK China Fund Unveiled, Daiwa Plans Japan Fund

HONG KONG — Sun Hung Kai Unit Trust Managers Ltd. said Monday that it was launching a \$26.25 million open-ended mutual fund to target stocks in the Chinese market.

The SHK China Fund will invest primarily in new issues of B shares — those reserved for foreigners — and will also target companies in China that intend to list within a year, Sun Hung Kai said.

Sun Hung Kai said a maximum of 2.5 million units at \$10.50 would be offered, with a minimum subscription of 10,000 units. The offer closes on June 19.

Six companies have B-share listings on the Shenzhen market and one on the Shanghai market. Prices have rocketed in recent weeks on heavy demand for the limited supplies of stocks. Four China funds have already been set up.

Meanwhile, Daiwa Securities Co. plans to launch a \$60 million closed-end fund investing in Japanese stocks on the New York Stock Exchange in late July, a Daiwa spokesman said.

Daiwa Securities America Inc. in New York will launch and manage the Japan Equity Fund, which will invest in selected stocks listed on the first section of the Tokyo Stock Exchange.

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MARKET DIARY

Stocks End Mixed As Drug Issues Fall

Administration, Omniflox is reportedly linked to 50 severe reactions. Abbott said it would take a charge to second-quarter earnings as a result of the withdrawal.

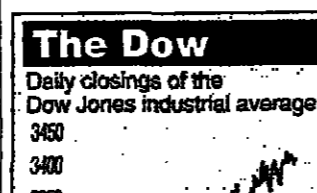


Table with columns: Vol, High, Low, Last, Chg. for NYSE Most Active stocks.

Table with columns: Vol, High, Low, Last, Chg. for AMEX Most Active stocks.

Table with columns: Vol, High, Low, Last, Chg. for NYSE Diary.

Table with columns: Vol, High, Low, Last, Chg. for Amex Diary.

Table with columns: Vol, High, Low, Last, Chg. for NASDAQ Diary.

Table with columns: Open, High, Low, Last, Chg. for Dow Jones Averages.

Table with columns: High, Low, Close, Chg. for Standard & Poor's Indexes.

Table with columns: High, Low, Close, Chg. for NYSE Indexes.

Table with columns: High, Low, Close, Chg. for NASDAQ Indexes.

Table with columns: High, Low, Close, Chg. for AMEX Stock Index.

Table with columns: Close, Chg. for Dow Jones Bond Averages.

Table with columns: Buy, Sell, Last, Chg. for Market Sales.

Table with columns: Buy, Sell, Last, Chg. for N.Y.S.E. Odd-Lot Trading.

Table with columns: Dec 1, Dec 2, Dec 3, Dec 4 for S&P 100 Index Options.

Table with columns: Close, High, Low, Prev. Close for EUROPEAN FUTURES.

Table with columns: High, Low, Close, Change for Stock Indexes.

Table with columns: High, Low, Last, Settle, Chg. for Industrials.

Table with columns: High, Low, Close, Change for Dividends.

Table with columns: High, Low, Close, Change for Spot Commodities.

Table with columns: High, Low, Close, Change for Financial.

Table with columns: High, Low, Close, Change for U.S. FUTURES.

Table with columns: High, Low, Close, Change for Grains.

Table with columns: High, Low, Close, Change for Metals.

Table with columns: High, Low, Close, Change for Livestock.

Table with columns: High, Low, Close, Change for Financial.

Table with columns: High, Low, Close, Change for U.S. FUTURES.

U.S. / AT THE CLOSE

Entergy to Buy Gulf States Utilities NEW ORLEANS (Reuters) — Entergy Corp. said Monday it had agreed to acquire Gulf States Utilities Co. in a \$2.3 billion deal that will create one of the South's biggest electric utilities.

White House Rebuffs Japan on Trade WASHINGTON (AFP) — The United States wants free and fair trade with Japan, the White House said Monday in a message that rejected Japanese allegations of unfair trading practices.

MCI's Founder, McGowan, Is Dead WASHINGTON (Reuters) — William G. McGowan, who fought AT&T for years to build MCI Communications Corp. into the second U.S. long-distance telephone company, died on Monday of a heart attack.

Big 3 Automakers Join in Research DEARBORN, Michigan (UPI) — The Big Three of U.S. carmakers announced Monday a new consortium to share research on emission reduction and formed an umbrella organization to recommend, monitor and promote joint research in precompetitive stages.

For the Record Avon Products Inc. said it would close its manufacturing operation in Alcala de Henares, Spain. Credit Lyonnais received about 2.76 million common shares of Pathe, Communications Corp. in response to its tender offer for 5.8 million shares that expired June 5.

Dollar Eases as Fed Lends Support to Struggling Lira

NEW YORK — Uncertainty over the outcome of the Monetary Treaty on European union and the prospect for a cut in U.S. interest rates pinned the dollar in tight trading ranges on Monday.

against European currencies, closing at 1.5865 DM, down from 1.5906 at the opening and 1.5910 on Friday. It edged up to 1.2728 yen from 1.2718 and 1.2675.

GERMANY: Concerns About Monetary Union

(Continued from first finance page) The Ecu would have the same value. A. That's your hypothesis to which I would not subscribe — that there are no exchange-rate changes.

an central banks is politically independent as far as its decisions are concerned. It would be very wise to site it in a place which is not the seat of a national government or of supreme institutions of the Common Market.

VOLCKER: On the Dollar

(Continued from first finance page) the monetary system, the breakdown of that fixed-rate system in the early 1970s, the Latin debt crisis of the 1980s and the Plaza Accord of 1985, which sought to bring the stratospheric dollar back to earth.

WORLD STOCK MARKETS

Table with columns: Country, Index, High, Low, Last, Chg. for various world stock markets.

MARKETS CLOSED

Stock markets in Australia and in most of Europe were closed Monday.

Markets Closed

Table with columns: Country, Index, High, Low, Last, Chg. for markets closed.

Markets Closed

Table with columns: Country, Index, High, Low, Last, Chg. for markets closed.

Markets Closed

Table with columns: Country, Index, High, Low, Last, Chg. for markets closed.

BRITISH POUND (GBP)

Table with columns: High, Low, Last, Chg. for British Pound.

CANADIAN DOLLAR (CAD)

Table with columns: High, Low, Last, Chg. for Canadian Dollar.

GERMAN MARK (DM)

Table with columns: High, Low, Last, Chg. for German Mark.

JAPANESE YEN (YEN)

Table with columns: High, Low, Last, Chg. for Japanese Yen.

SWISS FRANC (CHF)

Table with columns: High, Low, Last, Chg. for Swiss Franc.

INDUSTRIALS

Table with columns: High, Low, Last, Chg. for various industrial indices.

Vertical advertisement on the right edge of the page, partially cut off, mentioning 'New Rate Italian Ma' and 'Bayer's...'

### New Rate Worries Send Italian Markets Reeling

**Compiled by Our Staff From Dispatches**

**MILAN**—Stocks and bonds fell sharply on Monday amid growing fears of a fresh rise in interest rates and the uncertain outlook for economic and monetary union in the European Community.

The situation is critical because the Bank of Italy increased one rate last week but the lira has not stabilized against the Deutsche mark, said Carlo Alberto Bruno, economist at Akros Finanziaria in Milan.

He added that it was possible that the central bank "will be forced into raising the discount rate as well."

Last Thursday, the central bank raised the rate at which it gives emergency funding to credit institutions to 13 percent from 12.5 percent. The move came in the wake of the rejection by Danish voters of the Maastricht treaty on EC union, a result that raised doubts about

### EC Warns on Brand-Name Limits

**By Charles Goldsmith**  
*International Herald Tribune*

**BRUSSELS**—The case settled last week involved Chiquita bananas, but legal experts in the European Community said the underlying principle applied broadly to other products and would lead to greater consumer choice in brand names and resulting lower prices.

U.S.-based Chiquita had sought to prevent use of the trademark Fyffes by an Irish company that in 1986 bought Fyffes Group Ltd., a British-based former subsidiary of Chiquita.

The EC Commission ruled that companies selling a commonly known subsidiary could not unreasonably restrict the purchaser in the use of the subsidiary's brand name. According to the experts, it marked the commission's first clear statement on the anti-competitive effects of restricting brand-name use.

"The case makes it clear that any restrictions on the use of brand names must be minimal and absolutely necessary or they violate EC competition law," said a commission official.

Although Irish-based Fyffes PLC was prohibited from using the Fyffes brand name until 2006 for

### RTZ Sells Stake in Rio Algom

**Compiled by Our Staff From Dispatches**

**LONDON**—RTZ Corp., the world's largest mining group, said Monday it had sold its 51.5 percent stake in Rio Algom Ltd. of Canada to Canadian investors for \$118 million (\$215.8 million).

RTZ said it had decided to sell the stake because of the possibility of a conflict of interest arising between Rio Algom and RTZ's other North American minerals interests.

The stake, which totals 22.5 million shares, has been placed with institutional investors at 16.10 Canadian dollars (\$13.50) per share, payable in three installments over the next two years.

Since the net asset value of the Rio Algom stake is \$148 million, the sale will result in a one-time after-tax loss of about \$30 million.

In 1991, Rio Algom contributed \$11 million of RTZ's net earnings of \$308 million.

Rio Algom, formed in 1960, was RTZ's main Canadian mining operation until 1989. Since then, however, growth and acquisitions, including the purchase of BP Minerals for \$3.7 billion three years ago, have expanded RTZ's North American interests.

### Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
1850	2700	2100
1650	2600	2000
1750	2500	1900
1600	2400	1700
1500	2300	1600

Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	CBS Trend	Closed	130.50	-
Brussels	Stock Index	Closed	5,949.84	-
Frankfurt	DAX	Closed	1,789.07	-
Frankfurt	FAZ	Closed	714.24	-
Helsinki	HEX	Closed	613.68	-
London	Financial Times 30	2,057.30	2,077.40	-0.97
London	FTSE 100	2,848.80	2,688.50	-0.85
Madrid	General Index	253.80	254.64	-0.33
Milan	MIB	947.00	963.00	-1.66
Paris	CAC 40	Closed	1,961.58	-
Stockholm	Affarsvariden	Closed	1,091.87	-
Vienna	Stock Index	Closed	450.83	-
Zurich	SBS	Closed	670.90	-

Sources: Reuters, AFP  
International Herald Tribune

### NYSE

**Monday's Closing**  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	155.25	+0.75
Microsoft	78.00	+0.50
Apple	58.00	+0.25
Oracle	42.00	+0.10
Sun	38.00	+0.15
Lucent	28.00	+0.10
Motorola	22.00	+0.05
Intel	18.00	+0.05
AT&T	15.00	+0.05
Comcast	12.00	+0.05
WorldCom	10.00	+0.05
Verizon	8.00	+0.05
Qwest	7.00	+0.05
Sprint	6.00	+0.05
Southwest	5.00	+0.05
Delta	4.00	+0.05
American	3.00	+0.05
United	2.00	+0.05
Southwest	1.50	+0.05
Delta	1.20	+0.05
American	1.00	+0.05
United	0.80	+0.05

Symbol	Price	Change
British	120.00	+0.50
Shell	110.00	+0.20
BP	100.00	+0.10
Esso	90.00	+0.05
Arco	80.00	+0.05
Exxon	70.00	+0.05
Amstar	60.00	+0.05
Eastman	50.00	+0.05
3M	40.00	+0.05
Boeing	30.00	+0.05
Lockheed	25.00	+0.05
Northrop	20.00	+0.05
Raytheon	15.00	+0.05
General	12.00	+0.05
Boeing	10.00	+0.05
Lockheed	8.00	+0.05
Northrop	6.00	+0.05
Raytheon	4.00	+0.05
General	3.00	+0.05

### Charges Drag Profit Down 22% At BAA in Year

**Compiled by Our Staff From Dispatches**

**LONDON**—BAA PLC said Monday its pretax profit fell 22 percent in the latest financial year because of exceptional charges tied to property losses and staff cuts.

The British airport operator said profit totaled £192 million (\$351 million) in the year ended March 31, from £247.3 million a year earlier.

Pretax profit before exceptional items was little changed, at £283 million from £284 million.

Exceptional charges rose to £91 million, comprising £55 million in provisions for property losses and £36 million in costs of a voluntary staff-reduction program, from £36.7 million.

BAA shares rose 17 pence, to 682 pence, on the London Stock Exchange. Analysts said the results were encouraging because they were achieved despite the higher-than-expected exceptional charges.

(Reuters, Bloomberg)

### Very briefly:

- Asil Nadir, former head of Polly Peck International, has had 46 of 69 theft charges against him dismissed by a British court, his lawyer said.
- Banco Central Hispanoamericano SA said it wanted to swap its Banco de Fomento unit for a European bank of similar size, probably in France; Fomento had assets of 298 billion pesetas (\$3 billion) at the end of March.
- Romania's privatization office said its first sale would be the Ursus brewery at Cluj-Napoca; 51 percent will be sold to the public and 49 percent will be sold to two or three major holders in Romania or abroad.
- Asea Brown Boveri's ABB Power Plants said a consortium it is leading won a \$1.8 billion order to build a steam power station and desalination plant in Abu Dhabi; ABB said its part of the deal was \$975 million.
- Aerospatiale of France said the German government had unblocked funding for its joint project with MBB GmbH to build a replacement for the Exocet missile; the project now awaits French government approval.
- Ireland's six-week-old postal strike ended, but officials said it would take at least a week to clear a backlog of 8 million letters; international service remained suspended.
- Racal Electronics PLC's Racal Radar Defense Systems Ltd. said it had won a "significant" contract to supply radar equipment and engineering support for the Rapier low-level air defense system of Oman's air force.

### Renault of Spain Expects Sales to Rise

**AFP-Exel News**

**SEVILLE**—Renault SA of Spain expects 1992 sales revenue of between 27 billion francs (\$5 billion) and 29 billion francs, up from 23.5 billion francs last year, according to the chief executive, Francis Stahl.

He said he expected profit to be markedly higher in 1992 than last year. Earlier, the company announced a first-quarter pretax profit of 141 million francs, up from 6 million in the first quarter of 1991.

Mr. Stahl said the company was Spain's leading carmaker in the five months to May, with 18.4 percent of the market. Sales volume was up 13 percent to 83,830 units in the period, against 74,000 in the like period last year.

The Clio remained the leading model, on sales of 31,550 units, followed by the Renault 19, with 30,000.

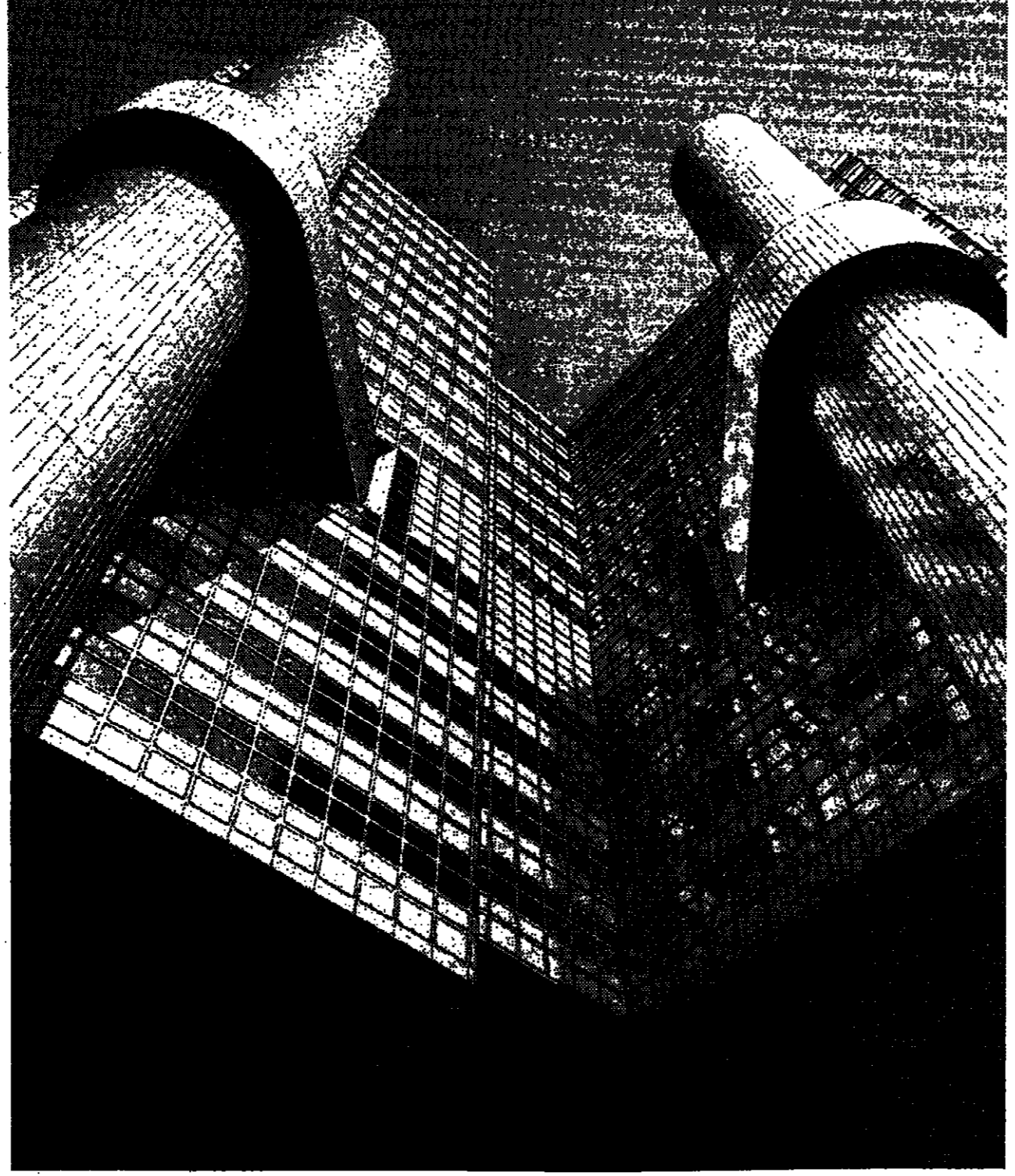
## HYPO-BANK

# TOP RESULTS IN 1991

**Bayerische Hypotheken- und Wechsel-Bank** again posted outstanding results in 1991. Group assets advanced by 10.6% to DM 193 billion while group operating profits surged 27% from DM 1.075 billion to DM 1.365 billion.

Total assets of the parent bank went up 7.8% to DM 134.2 billion. Operating profits at DM 1.170 billion surpassed the record level set a year earlier by 22.6%. HYPO-BANK AG is maintaining its 26% dividend to shareholders.

In 1991, HYPO-BANK again made substantial progress in broadening its investment management and building finance capabilities in Germany and abroad. Hypo Capital Management, Bankhaus Maffei, Foreign & Colonial (London) and Anlage- und Kreditbank (Zurich) all strengthened their service capability. Domestic and international investment funds, a growing business of HYPO-BANK, also performed well.



Highlights of our consolidated Balance Sheet for 1991 in million DM

<b>Total assets</b>	193,102
(Total assets parent company)	(134,210)
<b>Total loans</b>	152,108
General banking	(55,735)
Mortgage banking	(96,373)
<b>Total deposits and long-term liabilities</b>	182,297
General banking	(86,815)
Mortgage banking	(95,482)
<b>Shareholders' equity</b>	5,885

Despite the recession in the U.K., the real estate activities of the London branch expanded, as did residential property lending of the London-based subsidiary MSL. In view of the equally difficult situation in the US real-estate market our New York branch limited itself to the extremely selective financing of office and commercial property.

Hypobank International S.A., Luxembourg, celebrated its 20th year by recording especially good results. Fueled by brisk credit demand, total assets rose by DM 1.8 billion to DM 10.1 billion.

Results achieved so far in 1992 and our projections for the year point to another rewarding performance for HYPO-BANK and its shareholders. For further information and your copy of our 1991 Annual Report, please contact us at Theaterstr. 11, D-8000 Munich 2, Germany, Tel.: (89) 92 44-43 40.



Your need is our challenge



Koreans Plan Huge Airport

SEOUL — South Korea announced plans Monday to build a \$1.7 billion international airport that it hopes will become a air-transport hub of Northeast Asia.

The airport would be built on a tidal flat between two islands off Incheon, the western port that now serves as South Korea's main trade base with China. It would handle up to 100 million passengers a year.

Taiwan Spreads Wealth Abroad as Travel Grows

TAIPEI — Cash-rich Taiwan people are expected to spend a record \$6.5 billion to \$7 billion abroad this year as overseas travel booms, a senior central bank official said Monday.

The forecast would continue the strong growth of overseas spending in recent years that has resulted from the island's economic boom, an easing of foreign-exchange controls in the late 1980s and the lifting of a government ban on travel to China in 1987.

Travelers from Taiwan spent \$5.6 billion overseas last year, up from \$5 billion in 1990 and \$1.8 billion in 1986, the official said.

A Bureau of Tourism official said Taiwan people could take 4 million trips abroad this year, compared with 3.4 million last year and 2.9 million in 1990.

World Bank Criticizes Jakarta Report Calls for End to Monopolies, Wider Borrowing

JAKARTA — The World Bank has criticized two trade monopolies run by sons of President Suharto of Indonesia, saying they go against otherwise praiseworthy deregulation.

Brokers said Mr. Ramos was garnering increasing support in the business community with promises to expand on economic initiatives begun under President Corason C. Aquino to lure more foreign investment, help exporters and trim the country's foreign debt.

Investor's Asia

Table with columns for Hong Kong, Singapore, Tokyo, Sydney, Kuala Lumpur, Bangkok, Seoul, Taipei, Manila, Jakarta, New Zealand, Bombay. Includes indices like Hang Seng, Straits Times, Nikkei 225 and their values.

Very briefly:

- Yue Yuen Industrial (Holdings), a Hong Kong shoes-sport manufacturer, will sell 660 million shares next month to raise around 780 million Hong Kong dollars (\$100 million), sources close to the company said.

HSBC Depressed By O&Y, Midland

HONG KONG — HSBC Holdings stock tumbled on Monday, dragging down the Hong Kong market, after the bank confirmed its exposure to Olympia & York and Friday's surprise decision by Lloyds Bank to drop out of the bidding for Midland Bank.

Electoral Euphoria Lifts Manila Stocks to Record

MANILA — Renewed investor confidence following last month's election drove share prices 4 percent higher on Monday to set a record close for the third straight trading session.

That Stocks Seen in Narrow Range

BANGKOK — The stock market is expected to consolidate around current levels this week, though rapid price movements are possible because of continued political uncertainty, analysts said Monday.

Trade Gap Narrows

The central bank said the Philippines trade deficit narrowed by 11.5 percent in the first quarter, to \$97 million, Agency France-Press reported from Manila.

ADVERTISEMENT

INTERNATIONAL FUNDS

Large table listing various international funds with columns for fund names, currencies, and prices. Includes sections for International Funds, Other Funds, and various regional funds.







ART BUCHWALD

The Nameless Enemy

WASHINGTON — The rule now in effect at the White House is that under no circumstances can the name Ross Perot be mentioned.



Buchwald

"Mr. President, here are the poll results from California." "Read them to me."

worried about Democratic presidential candidate Bill Clinton, but how do you attack someone with no political track record? Have our dirty-tricks people, whom I have repudiated countless times, been able to come up with some good stuff on 'no name'?

"We're working on it, sir. He has no connection with Willie Horton that we know of, and we can't find any bimbos in his life. All we have found out is that he made a lot of money."

"You could say that while your contributors give money for you to win your election, he wants to buy his presidency with his own money. If that isn't un-American I don't know what is."

"Well, what about if I just go out there and attack him by name?"

"You can't do that, sir. You're the president, and by using his name you would give him respectability."

"At the same time, it's no fun being third in the polls all it's time."

"That would be a good idea. Do you want to invite Clinton as well?"

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"That would be a good idea. Do you want to invite Clinton as well?"

Resurrected Novelist Walks Mean Streets

By Joel Achenbach

JERSEY CITY, N.J. — The housing project is called the Woods, but there are hardly any trees, hardly any plants. The only biology is human. More than 700 families are crammed onto two acres of squalor, surrounded by a high metal fence that separates the Woods from the rest of a city once rated the worst place in America to live.

There is not even what you would properly call soil. The ground is a heavy fusion of gravel, rocks, dirt and glass, so very much glass, as though some urban gardener had mulched the detritus of a million beer and soda bottles because no organic materials could be found.

Richard Price, screenwriter and resurrected novelist, stops and turns toward the sun. Look at the shards of glass, he says, they're gleaming like diamonds. A minor detail. But this is the land that Price has mined for his new novel, "Clockers," and he'll keep whatever jewels he can find.

"I agonized: Is this cultural piracy?" he says. He answers the question: "If anyone can tell me what's exploitative about this, I'd like to hear it."

He already knows the arguments. White guys, rich guys, Manhattan guys aren't supposed to write books like this. But there was so much material here, "This is something about race and about class and about how America is now, and I will not submit this to group approval. I don't want anyone coming between me and my page."

And so he wrote "Clockers." There are two protagonists of this ambitious narrative: Strike, who runs the crew of "clockers" selling vials of crack in the project, and Rocco, a white, hard-drinking, overweight homicide detective nearing middle age and retirement.

The book is moving up the best-seller charts and was the buzz of last month's American Booksellers Association convention. Price, 42, has sold the film rights and his own screenplay to Hollywood for \$1.9 million, to go along with \$300,000 for the book advance.

Price's great achievement is to force the reader to identify with, and ultimately root for, a street punk who sells crack cocaine for 10 bucks a pop. Price refuses to give Strike any feel-good, Hollywood-issue virtues; he doesn't treat his mother like a saint or rescue babies from burning buildings or secretly possess a genius IQ. He's just a confused kid with an occasional stutter and a worsening ulcer. He sees drug dealing as his only way out of the project — yet knows his likely destiny is prison or death.

Strike carries a gun but feels reluctant about executing a fellow drug dealer, whose sudden murder provides the central mystery of the novel. Strike might be described as an outstanding criminal; he's disciplined in his behavior, he doesn't use the drugs himself, and he's clean. In Price's odoriferous novel, cleanliness is what you settle for in a world of toxic little goddesses.

Price knew some cynics could accuse him of going on an urban safari, hunting for "material." They might well ask: Who does this Jew from the Bronx, this Hollywood screenwriter who hangs out with the likes of De Niro and Scorsese and Madonna, think he is? Wasn't it presumptuous to think he could empathize with two-bit teenage dope dealers and \$45,000-a-year cops?

In fact, no one asked Price these questions. He asked them himself. He wondered if the book was simply too ambitious. "It's like writing about Vietnam and not having been there," he says. "This book had me in a constant state of freaked-outness. I never felt in control." But he adds, "I tried hard to get people's lives right."



Richard Price: "I tried to get people's lives right."

Rodney, the Fagin-like drug dealer who controls Strike, is a Cadillac-driving, gold-chain-wearing loudmouth. A Rocco is a stereotype sprung to life with enough detail to be convincing: He's missing his 20th year on the force, will retire in six months, is facing an identity crisis and finds solace in the bottom of a highball glass.

Price didn't just make it all up. He researched it. And in a way, he lived it — years ago, he was a coke addict himself. But he never touched crack.

"I couldn't survive stupid party-powder coke," he says. "How are these kids going to survive this Kryptonite?"

Price appears one morning behind the wheel of a Toyota Camry hatchback. He extends his left hand to shake. His right arm is disabled by cerebral palsy.

We're going to Jersey City. It's a trip Price has made innumerable times over the past three years as he researched "Clockers." Jersey City is just another miserable little organ in the larger body of New York, Jersey City, says Price. "It's basically one big broken heart."

First stop is Whitney Young Junior High School, a windowless brick structure with no immediate sign of life. Inside the school, hundreds of kids, virtually all of them black, file into the huge auditorium for an anti-drug lecture. The speaker is Calvin Hart, a huge, gregarious Jersey City cop who appears in Price's novel under the name "Andre the Giant." He shouts: "Fact: Kids are dying. You're dying of AIDS, you're dying of drugs. You kids are dying!"

Afterward Hart says he's read much but not all of the book. "I like it," he tells Price as they walk out of the building. "Because I know the people you're talking about."

Like Larry Mullane. That's another person Price wants to see today. The inspiration for Rocco Klein.

PEOPLE

Lindy Chamberlain To Marry an American

Lindy Chamberlain, who was convicted ten years ago in the death of her infant daughter in one of Australia's most publicized court cases, says she plans to marry a Seattle businessman, Chamberlain, 44, was quoted by Women's Day magazine as saying that she met her fiancé, Rick Creighton, 35, while on a U.S. speaking tour in February, Mrs. Chamberlain and her former husband, Michael, said a daughter, dragged their 9-week-old daughter, Azaria, from their campsite near Ayers Rock in August 1980. Her murder conviction was later thrown out, and she has been given a government compensation payment of \$680,000. Creighton, who runs a carpet store, was quoted as saying he had been warned by some people about Mrs. Chamberlain. "They had my best interests at heart and they wanted to protect me, but they didn't know her," he said.

Stanley Williams, who is co-chairman of the faculty of the School of American Ballet and has taught some 3,000 students in his 30 years, was receiving the school's \$10,000 Mae L. Wien Award Monday at the Juilliard Theater. Williams' students have included Peter Martins, Rudolf Nureyev, Edward Villella, Mikhail Baryshnikov and Doree Kilmer. "He is teaching what Balanchine was to choreography," Villella said.

British rock star David Bowie and the Somali-born model exchanged religious vows at a star-studded wedding ceremony Saturday in San Giacomo Church in Florence. Guests at the service included John Lennon's widow Yoko Ono, Hans Jagger and Yoko Mager, Bowie, 45, was divorced from his first wife in 1980, and his 36-year-old bride was formerly married to U.S. basketball star Spencer Haywood.

Thousands of friends and neighbors dedicated on Sunday the restored old house in Strasburg, North Dakota, where Lawrence Welk was born. "I can just see him clasping his hands and saying, 'I am grateful to my friends,'" said Norman Zimmerman, the former "Champagne Lady" singer with Welk's band. The bandleader died May 17 at age 89.

Joan Rivers Fans Can't Get Enough

The Associated Press

LONDON — Hundreds of the attorneys who paid £20 (\$35) to see the comedian Joan Rivers "besieged" the box office because the show was too short.

Scotland Yard said officers from three London police stations were dispatched to the Queen's Theater to quiet the crowd. "We were called in by the box office at the theater who were being besieged," said a Scotland Yard spokesman.

About 500 people refused to leave the theater after the Sunday performance because they "were disgruntled at the length of the show," the Scotland Yard spokesman said. A box office employee said Monday that he had received a number of complaints that the show, which was supposed to run two hours, ended after half an hour because it was being recorded for television.

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